The IG Farben "Peace Planning"

Key documents the fascist "Reorganization of European "large area"

FROM LOCKPICK EICHHOLTZ

introduction

document NI- 11252.

Letter from the IG Farbenindustrie AG the Reich Ministry of Economics (Schlotterer) from August 3rd 1940

More general Part of
France

II. document NI- 6840

INTRODUCTION

The here published documents became the files of process against 23 leading representatives of IG Farbenindustrie AG taken from August 27th 1947 (Begin the Main hearing) until July 30th 1948 (Announcement of the verdict) in Nuremberg before the US Military Tribunal took place. These are the prosecution evidence with document numbers Nl-11252 and Nl-6840. In the form of a hectographed copy, together they take up about a third of the Document book number 51 of the indictment 1 a.

The Documents originate the enormous archival Prey, the the fell into the hands of the Allies during their invasion in 1945 and was evaluated by large teams of experts in preparation for the Nuremberg Trials. The confiscated holdings included items from the archives of the IG Farben Group, of croup and of Flick Group, the Dresden company bank and others. In February 1946 the United Government published the States commissioned Kilgore Committee (named after its leader, Senate

The materials the Nuremberg IG Farben trial become hereinafter - at Place from the process protocol—with regulation, short name of the process (case VI) and with the location in the protocol quoted, or - in documents from the prosecution - with registration, document number, short name nation of the process and number of the document book the prosecution (ADB), in which the document is contained hold is. About the citation method in general cf. also the in this volume published work by C1ollell, Ros u.il/.a/Eiehl.0111. Dietrich. S. 219 ff.

¹ The Document book is aut Microfilm at the Germans Potsdam Central Archives presented (film collection, IG Colors, No 418). We publish the Documents after this one Movie. Deodorant Duration the film collection We will refer to it below as DZA/FS.

Tor Harley Kilgore) his report on the crimes of IG Farbenindustrie AG. The immense material for this report, below dem itself the here The documents printed were compiled and prepared by Colonel Bernard Bernstein's group.

The allegedly first German historian and Publicist, the to dem report took a stand and immediately realized that it was were truly sensational finds, was Albert North. ² Also under the documents were available it Sensations, for example those printed here, although the character of the monopoly and the fundamental line the Politics of finance capital naturally should have been known to every Marxist historian and politically experienced observer were sufficiently evident and through the Material were only fully confirmed. The was the biggest sensation Meanwhile, the fact that thousands and thousands from until now maximum secret documents, plans, from detailed statements the CEOs above her own crime etc., , a true Panorama _ the aggression against one whole world" 3, came to light, were copied and even partially printed and were thus made available to a wider public.

Bigger File publications out of public Archives had it already given. The Example Soviet Russia, the the Contents the tsarist Secret files announced to the whole world There were some, albeit cautious, imitators in the West. One so extensive publication such revealing material from archives leading Corporations one the imperialist main powers How the report of Kilgore Committees above IG colors however, was something fully New.

Among the mountains of documents that eventually emerged in the Nuremberg IG-farben trial dem presented to American prosecutors included the material about the "New Order", the fascist "reorganization of Europe", underneath especially document Nl-11252, has a special, prominent place. It was the core of one huge material complex, which the prosecution as for the Proof point "spoliation" considered particularly relevant. The document book 51 wore that Titled "Aggression and reaping of spoils" and led the series of the volumes that were filled with Documents about the looting in the fascist-occupied countries. It contained fundamentally important documents about the plunder of foreign economic resources during the war and about their planning. The material that placed the greatest burden on the company was that which was at the time Corporate jargon was called "peace planning." Karl v. Heider, a senior IG employee, testified in the trial, especially this Material, , what we called peace planning". it been, that according to instructions the CEOs like also the Authorities absolutely dem Allied invasion should be destroyed and also actually everywhere hastily tons were burned.' Nevertheless, large amounts of highly informative "peace planning" material have been preserved and secured by the Allies been or - in the German Democratic Republic -

² See Norden, Albert, Die JG Farben, in: Weltbühne, 4/1946, pp. 104-108. Reprinted in: same, The nation and we. Selected Essays and Speeches 1988-1964, Vol 1, Berlin 1965, pp. 821-329.
8th Ibid, S. 821.

⁴ interrogation v. Heider, case VI, protocol, S. 1606f. (Archive of Gl6wna Komisja Badania Zbrodnich Hitlerov skich w Polsee, Warsaw, hereinafter: GK). - Alone in the Corporate headquarters (Frankfurt/Main) became A total of 15 tons of documents were burned.

passed into the hands of the working class. ⁵ That collected by the Americans material is only to one Part in the Process submitted, and Of the evidence presented, only a small part is included in the document books been.

The IG "Peace Planning" in the Overall complex the "economic Reorganization Europe"

beings and Scope the "Peace Planning" are not to capture, without that one, going a little further, theirs The origin story is at least sketched out. They already had the annexation of Austria, the occupation of Czechoslovakia and the attack on Poland leading German monopolies, most notably the IG Farben group, bringing in the loot in a timely manner and all planned by each other.6 Shortly after the start of Operation "Weserübung" they sent to distribute the wealth of Norway among themselves.7

But at the beginning of June 1940, When the German armies pushed deep into France, the large corporations, in the frenzy of victory, which they already believed was within reach, worked out a comprehensive, detailed war program, a system for the expansion of their rule over the whole of Europe. This program initially saw the "reconquest" of everything that was lost and the

"Reparations" all Damage to their monopoly position and sources of profit that the Treaty of Versailles had caused them. As a next step, they planned to establish a "European economic area," including Great Britain, under their leadership, that is, under fascist rule. This "major economic area" finally should, so saw it the Planning of the most developed, most aggressive monopolies, as starting point for this serve that "Disputes" around the world hegemony German to continue imperialism. The concept of Confrontation, the also in the here published documents one size role plays, included included as well as Periods

"peaceful" competition - with a They expected such a period IG Herren apparently after a victorious end the war for the subjugation of Europe. as also large, intercontinental or world wars in which that period given the worldwide imperialist Objective the German Monopoles with natural necessity had to pass over. Such fights were after the ideas and plans of the leading German corporations against in the future those powers to carry out, which the others, competing Large economic areas dominated, especially against the USA monopolies, but also against those back then officially allied Japanese and Italian monopolies, as well as - not least - against the socialist Soviet Union.s

- 5 What's in the archives of the GDR, especially in the company archives, of the most valuable documents this The topic of discussion is or is slumbering, Schmelzer suggests in a recently published work (Sellers, *jams*, This was a state secret. A look into the files of the former director of the IG Colors Agfa Companies, Dr. Fritz Gajewski, Wolfen [1963]).
- 6 Please refer case VI, ADB 5-1, 55 u. a. (DZA/FS, No 418). See. North, Albert, The nation and we, aa 0., S. 324ff.; Radandl, HaM/Zumpe, Lolle/Puellert, Berthold, Zur role Of the german monopoly capital at the occupation in the second World War, in: Bulletin of the second working group World War", 3/1963, p. t0ff.
- 7 Please refer Department Meyer-Küster (Deputy Director of the IG Paint industry AG and employees at Reichswirt• Ministry of Finance) before the Metal Subcommission (Metall-UKO) of the IG Farben Group v. 16. 4. 19.W, NI-6089, Case VI, ADB 65 (DZA/FS, No. 420).
- 8 Please refer Mo,iopole and Country in Germany 1917-1945, Berlin 1966.
- 18 Yearbook for Economic history III/66

In mid-June, the Reich Industry Group and the Reich Ministry of Economics launched one large-scale Attempt the "planned Preparation one European industrial economy".9 This wide-ranging Planning should take the central state monopolistic institutions (Reich group, economic groups) into their own hands in order to channel the diverging interests and the bitter competition in the distribution of the loot dampen. The Result they were so-called country reports the Reich group Industry, the despite all the brutality of their requirements showed a strong imbalance and one really

"big" conception absolutely missed. It was in vain here, about the competing interests of rivals Huge as well as the strong and the weaker organized and monopolized companies and industries, want to set up a uniform state monopoly expansion program on a large and individual basis.

Essentially much more significant and at the height of terrible strategic acumen, how only the imperialism can muster it, were the special programs that the leading monopolies set up. The The most developed and internationally strongest corporations set their goals widest; It was clearest from their plans that the European "new order" for them just one first step, albeit one very remarkable, on the way to establish or re-establish your world monopoly, of their world domination. The applied on Zeiss, on the electrical companies, on the potash companies Non-ferrous metal companies such as Metallgesellschaft and on other.

Unsurpassed stayed but the IG, as well as What the span of their "Wishes" and demands as also What the Thoroughness and consistency were concerned the the biggest one German company took action. His "peace planning" presents one of the most astonishing, revealing Documentation from the history of German monopolies and the imperialist one Era at all.

Gustav Schlotterer, Director the Special Department v. 0. (Preparation and order) in the Reich Ministry of Economics, which had been created immediately after the invasion of France specifically for the economic "reorganization" had various Meetings were held with IG representatives larger and smaller circles, and had asked the group to "give an overview of the chemical industry in the countries of France, Switzerland, England, Holland, Belgium, Denmark and Norway, with particular reference to cartel relations... even to the extent that they speak German to the exclusion of others participation have formed", and if applicable "regarding the future design of paint production in the areas in question countries special

.Suggestions to give." 10

The This group came Please in one Way after, that all relevant bodies in enthusiastic praise broke out and him certified, that his "Peace planning" under the "Wust der itself entries that lose generalities... represents one of the very few documents that Reich Ministry of Economics clearly formulated and until to the last thought practical suggestions gives the hand." u

- 9 Please refer ScT11,,,...,, Wolfgang, The war program of Zeiss Group, in: ZfG, 4/1963, S. 706.
- 10 File note KufuB (Assistant of IG director baller) v. 19. 6. 1940, NI-6842, case VI, ADB 67 (DZA/FS, No.419).
- 11 Newsletter George v. SchniWers at the members of Commercial niches shot the IG v. 22. 10. 1940, NI-6956, Case VI, ADB 61 (DZA/FS, No 418).

The IG built this Planning, at the all divisions, departments, Commissions of the Group feverishly collaborated, systematically. The reports on the countries were preceded by a "general part" which was nothing more and not contained less than the explicit demand for a world chemical monopoly, similar to that the German one Chemical industry before the first World War had held. It was a general plan that was as absurd as it was pedantically precise the CEOs for one Redivision the riches of the world, here in particular the one Sources of Profit for the chemical one Industry, in favor of German imperialists, in favor of world domination of the IG-farben group.

This policy document was followed by highly detailed country reports or socalled Desired materials at, all after dem same Pattern

worked, first for France, then for Belgium and Luxembourg, for Holland, Denmark and Norway. For the England report (including Empire) lay detailed Preparatory work and materials from the various branches and Departments of the group as early as the end of June 1940, as well as for the others reports; However, due to military developments, it was no longer finally put together..., Statements about Poland and the Protector Council are also due to the expected fundamental decisions in preparation. Preparatory work for the actual design of greater European area as such under Inclusion of Nordic and Southeast European room as well as the Switzerland have been initiated." 12

The documents mentioned are currently only partially accessible to us. The height flood of reports, opinions, requirements and plans the individual corporate departments and operations on which the national reports of the corporate management are published as well as the The "general part" was not at all visible during the trial. The fact that significant amounts of this material were in the hands of the prosecution were, went out of a passage in Telford Taylors Prosecution speech ago.13 Im In the Kilgore report, some of the preliminary materials in the country reports were also discussed.14Important parts of this highly interesting **material** are accessible in our company archives or await discovery there the Find process materials we complete the "General Part" and the France report16 and the Norway report17. The Reports about Holland, Denmark and Belgium became under the Document number NI-10165 excerpted as an indictment document but not included in a document book. ¹⁸ References to the previously accessible parts of the England materials can be found at Schmelzer19 and at Norden20.

- 12 Write from v. Schnitzler and Krßger at Schlotterer v. 3. 8th. 1940; see document section.
- 13• The New order contains 11imu,..,4s of f,/Jges of apecitic programs for the chemical industries of Europe, iocluding Great Britain.• (Case VI, Protocol, p. 146 (GK). Emphasis mine-EN).
- 14, Please refer North, Alberl, The nation and we, a. a. 0., p. 326f.
- 16 Please refer the from Schmel.,,, J/Jnis, a. a. 0., S. 2811., and from Rtlda,ull, H/Jns/Zumpe, Lotle/Pvclurl, Berll lald.
 - a. a. 0., S. !Off. u. 19f. quoted Documents.
- 16 Together under the Document number NI- 11262.
- 17 NI-7784., case VI, ADB 66. From the June 8, 1941, with the Addition v. 15. 9. 1941 (DZA/FS, No 4).
- 18 See the prosecutor's evidence, Case VI, Minutes, p. 2473 ff. (2487) (GK); the data of the completion long or the Shipment: Holland Report August 23, 1940; Belgium report 10/9 194.0; DAuemark-Berlcht according to 12. 1940.
- 19 Se/t-1 er, //Jnis, a. a. 0., S. 8611.
- !0 Norden, Alberl, The Nation and we, aa 0., p. 326f. t8.

The Accuser in the IG Farben process had impressive words one historical appreciation of the "New Order" found: "It was, in surnmary, a plan for the rnarshalling of the chernical industryof the continent of Europe, including Great Britain, to dare was against the world. according to is a plan for the realization of the ideas of Duisberg and the predictions of Krauch. We need seek no farther for the rno tive in this case; it is all written down in these documents. They are written in the dispassionate language of science and commerce, but between the lines the smouldering hate and boundless ambition is easily discernable. thesis wanted to make the world theirs own, and they were prepared to smash it if they couldn't have their way." ²¹ For the These were American judges Arguments on seeming without legal Significance. The Value hers judgment you can measure that the entire complex "peace planning" so the war aims and the War objective planning of group, excluded became; she stayed in the **150** Strong printed pages Reasons for the judgment at all unmentioned. Under

"Spoliation" (Charge II) struck against the IG bosses only quite reveal, **M** Poland, Norway and France Acts of looting to book. From the "Conspiracy, or participation at one common Pla

nung" from wars of aggression and from War crimes (charge V) were all defendants acquitted. George v. Schnitzler, for example, who signed document NI-11252 in the first place, was expressly certified that his participation in the war after its outbreak did not exceed the one average, decent German citizen and businessman went out" be22.

The Documents - we print the two most important ones here away - speak for themselves. One History source first Okay, they are yourself extremely important piece German Story, one basis for the revelation of secret in which the War was born. These plans want to be studied; she help us, the essence of the monopoly rule and the state monopoly To fully understand capitalism, but especially the nature of fascism.

To shape and outline the printed Documents

The documented provenance of document NI-11252 is from the It is not possible to determine exactly the copy available in the document book. Signs indicate **that** it was a copy made in the group (economic policy department) for the Defense Economics and Armaments Office (Wirü) of the OKW (General Thomas) acts. The document NI-6840 comes from apparently out of the secret one stocks one IG archives. The Originals at the Documents are not verifiable.• The document NI-11252 consists of three Share: dem so-called th Letter, the "General Part" and the "France" report.

The Letter is the accompanying letter of the group front **3.** August 1940, the occasion the Handed over the first, decisive Parts the "Peace Planning" at the fascist ones Authorities and state monopoly Institutions Ministerial director Schlotterer, dem Director the official "Reorganization" planning in the

- 21 Prosecution speech Telford Taylor, case VI, Protocol, S. 146.
- 22 The Verdict in the IG color < nP, 01 /J, Offenbach a. M. 1948, S. 48 (GK).
- In this case Imprint after the copy are obvious typos corrected and the one today correct spelling has been
 observed.

Reich Ministry of Economics. It carries the George's signatures v. Schnitzler and Kurt Krüger Zl. In the original it includes five typewriter pages. Complete, in English translation, it is in the fifteen volume American Selection look over the twelve Nuremberg Succession Trials ("Green Series") printed.2.1

Copies of the letter were sent to the addressees noted at the end; In view of the recognition that the document immediately found in high places, copies of the document were sent letter and at least also of "General part", like finds in the Proof of company archives 25, also to a number of other official and semi-official bodies, to official personalities, confidants and liaison officers of the group.

In dem letter become, after one Notice on previous ones "different "meetings". Schlotterer "about the question of possible layout of European Economic Area", the three "basic ideas" of the IG "peace planning" developed. On it follows a overview about the planned Attachment of entire complex of this war target program. Ultimately, everyone interested in the group will Questions and subject areas, at them him one New regulation appeared desirable in the occupied countries, compiled in a kind of list; this list actually covers everyone Areas of economic activity of these countries.

What the "Basic ideas" regards, so can man she dem Contents after, in updated _ Terminology, with the terms integration and Characterize escalation quite aptly. Firstly the group presented itself, its previous economic policy strategy line following up, European planning as self-sufficiency planning, as planning the "economic "Independence". in relation to the supply, How easy to prove, quite aggressive objective. 26 Zu this one Purpose should the European chemical industry under German guide

"Planned" rationalized and centralized become. It was because also, Secondly, the "Recovering and securing the global reputation of the German chemical industry" Goal of the group, in confrontation ("Competition") with the except major European areas. The company bosses hereby gave the concept of European planning a new, "higher" content; they not only strived for, according to plan her Domination in European Space to build, but they were already planning the establishing their world hegemony, from the based on the large European economic area as a basis and basic potential. Thirdly, the large economic area should, above all, be under the point of view "Orderly", the self-sufficiency is secured under the aspect that the German armament potential the resources Europe strengthened would. That was just a logical link in the Chain of considerations: "they were prepared to smash it (the world) if they couldn't have their way "ZI, had it in Taylor's indictment speech was called.

²³ Kruger was Deputy Mal< Ilgners, des conductor of economic policy Department of the group, at the same time a senior employee in the military economics staff of the 0KW.

²⁴ Trials of Was c,...,as before the Nuer11berg Military Tribvllals u,ule, Co"rol Cou,u:il LaflJ No. 10 (in the fol genden: Trials), Vol VII, Washington 1953, p. 1451-1455. -At are in the same place the "General Part" with very strong ones and for the part most insightful cuts as well some pages out of dem France report printed (just that. 1455fl.J.

²⁵ Please refer Sh,,,, lzer, Yes I lis, a. a. 0., S. 24fl.; Radalldl, HallS/Zumpe, Lotte/Pucherl, Berlhold, a. a. 0., S. 12f.

²⁶ See. Minor Of, ole ulld Country 111 Germancldalld 1911-1945, a. a. 0.

²⁷ See. Prosecution speech Taylor, case VI, Protocol, S. 146 (GKJ.

The "General Part", the general expansion strategy of the "Council of the Gods", originally comprises 14 typewritten pages and an appendix (table). First be with one preserve Crooks' rabulistics the Losses and disadvantages are described and quantified that the former global monopoly of the German chemical industry has suffered since then First World War through the provisions and consequences of the Treaty of Versailles and through the Building foreign ones competing industries have suffered. It is regretfully stated in the summary that this is the case The world chemical monopoly of 1914 will no longer be able to be restored in its old form. This is followed by the core of the entire document, indeed of the entire "peace planning", the notorious and impressive presentation of the IG large-scale strategy, with the help of which the German chemical industry can achieve world domination in a new form, at a higher level, so to speak establish intended.

The "General Part" has already been quoted several times in our literature. In the German edition by Sasulys IG Farben book located itself in the appendix a back translation of "General part" from English, which is understandably extremely inadequate.:zs

The The full meaning of the "general part" only becomes clear to us larger historical contexts. We need more detailed research into the directions of expansion the various monopoly groups, which, in variations, above decades away to track are.29 The IG Farben document is also suitable for shedding light on the background of the large-scale theories of German imperialism and to throw fascism. What is particularly worth investigating in this context is the close internal relationship and temporal sequence of document and of Tripartite Pact from the 27. September 1940, in which the German, the Italian and the Japanese Imperialism officially agreed on the division of the world into "greater areas" and on their domination . 30

The "France" report originally comprises 71 typewritten pages. Its structure was considered a model for all other IG peace planning country reports. These reports existed after in the rough uniform scheme consisting of a short general assessment of the chemical industry in the country in question as a competitor for the German one, from a more detailed one Overview of the development and status in the individual industries and sales areas, then from economic policy proposals and demands of a general nature and, above all, from "requests of a special kind for certain production areas". Means and options were required the chemical industry to get the country in question completely under control and to get a large part of it into one's own hands, to eliminate a significant part of it or at least to do so from the export to exclude and any Barriers for the to demolish German exports or to give them absolute priority over imports from third countries.

²⁸ Si suly, Rulia,4, IG colors, Berlin 11152, S. 345-358.

²⁹ See. M Ole 1110 State ,.. DeulschlAM 1917-1916, a. a. 0., - Such Investigations will be results provide the discussion about the continuity of the war aims of German imperialism in both World wars will undoubtedly be extremely fruitful.

³⁰ Reullsiesa,bl4# 1940, II, S. 280; see. also Hi,ss, GerliAn, The USA in the War and Large-scale planning of German fascism in the Years 1940, in: The German one imperialism and the second World War, Vol 3, Berlin 1962, p. 158ff.

In the programmatic introductory pages of the "France" report, **it is** first stated that one cannot and does not want to "completely reverse" the development of the French chemical industry, but then calls for the French market to be opened up to German competition without restrictions and to allow French exports "only in exceptional cases". Under I becomes one Sketch of the Development in the individual branches since the Time before given to the First World War: dyes, chemicals, pharmaceuticals, photographs, fragrances, synthetic fibers and Nitrogen. The Construction one own French chemical Industry and corresponding exports the First World War as well as the competitive measures of French industry and government are seen as damage and violation of the German (IG) interests in detail discussed and complained just as plaintively as demonstratively.

The next Part (II) contains the concrete "suggestions more fundamental Art", especially requirements after one "basic(s) the change the to form and means of French trade policy in favor of German imports and in the interests of German branches and subsidiaries.

Finally, the last, most detailed part (III) contains the "wishes of a special kind", in turn orderly after the branches the chemical Production, those

.,Import" as Point 8 is added. The most serious "wish" of Group was the one after transferring 50 percent of capital of the entire French dye industry to the IG, a demand that - already discussed with the authorities - Confiscation of the said industry the Rich assumed.31 Under "chemicals" stands out next to the demand for syndicates under completely German leadership was presented in a large table out, the around seventy most important positions (chemicals and Groups of chemicals) and according to which French production, import and export should be radically regulated in the interests of the IG (through preferential import tariffs towards Germany or protective tariffs towards third parties, export bans for France, construction bans and closures in various degrees). The opening of the French pharmaceutical market to "free competition" the German one Industry, a general one Expansion ban on the French photo industry and the export ban on French nitrogen are only selected Examples out of countless further Requirements.

The final published document NI-6840 is a file note from the economic policy department Department of the group, the Max Ilgner headed, signed by Jost Terhaar, a senior employee of this department. ³² The haar had been designated to "peace planning" (the document NI-11252) the fascist one authorities and the Economic group Chemical industry to deliver and she them in to explain in detail in confidential meetings. The note gives us Outcrops above the reaction the Visited, especially of the relevant positions in the Reich Ministry of Economics. Before Above all, it allows extraordinarily deep and valuable insights into the functioning mechanism of the state monopoly apparatus and generally into the relationship between monopolies and fascist state.

⁸¹ See. Preliminary interrogation v. Schnitzler, NL-6198, case VI, ADB 68, printed at *Kuczynski*, *JOr1e11*, Studies to Story of state monopoly capitalism in Germany 1918 until 19t6, Berlin 1968, p.191 ff. u. 242 ff. = the same, The Story the Position the workers under dem Capitalism, Vol 16.
82 The document is complete, in English Translation, printed in trials, a. a. 0., S. 1«8-14.61,

I. DOCUMENT NI- 11262

IG Paint industry Public company

Strictly confidential

Handwritten Note: AbselJri/1 for w;Rü

Postal address of Sender:

Farbenindustrie Aktiengesellschaft, Berlin NW 7, Under the Linden 78

Wire word Long distance call Accounts

Isecretariat Berlin Local traffic 120021 Reichsbank checking account

Long-distance **8201** transport 126401 Berlin

Postal Check Account 10456

Berlin

Mr Ministerial Director Dr. Schlotterer Ministry of Economic Affairs

BERLIN W.8 Behrenstr. 43

Her Sign yours News from ours Sign

at Answer to specify

Our House call

Berlin NW7

Under the Linden 78

August 3, 1940

Regarding

Very honored Mister Ministerial Director!

Based on various discussions we have had with you about the question of possible layout of the European economic area led, have We examine the contributions made by our company in the responsible committee the can facilitate the planning you have initiated, and to what extent we have to make special suggestions in this context as well as requests relating to our company itself. In pursuit Based on these considerations, surveys and preparatory work have been initiated after are aligned with the following basic ideas:

- 1. It It is assumed that in the course of shaping a European large-scale economy, planning is also necessary for the chemical field. The aim of this planning is:
 - a) the economic To ensure the independence of this area in the sense of largely securing its supply,
 - b) the production forces this room accordingly planned through to arrange rational utilization of the existing production facilities and you current and foreseeable future needs to

fit that, above all, misdirection of human resources and capital be avoided.

- 2. After the war is over, this continental area will have the task of organizing the exchange of goods with other large areas and with the productive forces to enter into competition with other large areas in competing market areas a task that in particular also includes regaining and securing the global reputation of the Germans Chemical industry in itself closes. The under this one point of view considerations to be made and plans ahead everything too the through the last War triggered Shifts and Development trends the International economic forces must be taken into account, as is increasingly evident in the increased influence of the USA in Latin America, Japan in the Far East and Italy in Southeastern Europe and the Middle East.
- 3. One so under dem point of view the Self-sufficiency orderly Large area economy and her planned orientation compared to the other economic areas the World has at the same time everyone factors to take into account which arise from the military economic requirements of the Greater German Reich. These requirements are not just from the perspective of the pure supply of military supplies important import goods but also from the perspective that existing or future possible interrelationships of interests between the European countries in the German sphere of influence and non-European countries, which can affect their **economic** potential in the chemical sector, are designed in such a way that the greater German interests are always taken into account is; This includes, for example, cartels, capital investments and the exchange of experiences.

The under this one Basic ideas the work carried out itself in a "general part" and a part organized by country.

The "General Part" consists in one consideration of the Position on the international Chemical market before the World War, the situation, how she yourself among the Effects of the Versailles Peace Treaty in the years after the World War, andin a brief presentation of the global economic forces with which the A reorganization of the international chemical market is likely to occur.

The by country ordered part initially includes those countries for which in the course of the military and political events in the foreseeable future, economic policy negotiations on a fundamental reorganization are to be expected within the framework of ceasefire or peace provisions, namely

- a) France
- b) Holland
- c) Belgium/ Luxembourg
- d) Norway
- e) Denmark
- f) England and Empire.

Statements about Poland and the Protectorate are also being prepared because of the expected fundamental decisions. Preparatory work for the actual design of the greater European area as such

the Nordic and Southeast European regions as well as Switzerland have been initiated. Its conclusion depends largely on concrete knowledge of the final design of this large area away. The same goes for also for the already employed Reflections on questions of Chemical foreign trade in the Relationship of European metropolitan area to other metropolitan areas.

At When preparing the country-by-country statements, the following are in particular included points of view in Consideration pulled regardless of if for some of these points general, the entire German industry can expect comprehensive regulations:

a) trade policy Measures, like tariffs

Ouotas Licenses

Export Regulation

Certificates of origin and Mandatory declaration,

registration requirement,

- b) currency- and monetary policy Measures,
- c) Questions of right of establishment, and that is especially business premises issues

work permits,

- d) tax policy Measures,
- e) Questions of Patent- and trademark law,
- f) Controlling industrialization

Expansion of existing industries Establishment of new industries.

- g) Treatment from Investments foreigner Companies in Germany,
- h) Questions, the itself from the previous international ones Capital ties and in particular from the Enemy defense industry control system in the chemical sector and their connections with each other as well as from the perspective of future involvement of German investments in the course of the regional development result,
- i) Questions regarding the relocation of the headquarters of international economic associations and associations as well as institutes,
- k) Raw material procurement and with it connected Questions.

At the abundance of to material to be processed and the spaciousness The problem requires a final statement on all questions that arise resulting from the above disposition, one quite some time. There on the other hand, a series of questions as We believe that this should also be considered as a matter of priority In your opinion, we should proceed in such a way that we first anticipate the "general part" and our statements on France for the negotiations that are already pending in Wiesbaden and our Opinion on the rest Submit questions as they arise.

In this one senses allow we us, Them in the Attachment to hand over with due regard:

1. the above mentioned "General Part".

This one is- one from the Reich Ministry of Economics expressed Wish following - a compilation the direct damage suffered by IG in its legal predecessors and its group companies as a result of the Peace Treaty of Versailles.

One Lineup above the direct and indirect war damage, the since dem 1. 9. 1939 so far occurred are, stands on Wish to Disposal.

2. the opinion the IG Farbenindustrie on the questions in German-French relationship in the chemical sector in terms of production and sales. Our Explanations to Holland consequences soonest.

Unhurt Hitler!

IG Paint industry Public company signed by Schnitzler signed Krüger

:postscript:

A letter the same ·verbatim goes to the Men: Ministerial Director Dr. Bergemann Ministerial Director Dr. Mulert Dr. storm/ Chemical Industry Examination Office Envoy Inhibit, German Ceasefire delegation

Stamp: Strict confidential Secret archive

More general Part

Given Starting point one fundamental Consideration about the Planning tasks for greater German chemistry European Large space and about the installation of this large area in the global economy the determination, that the German chemical Industry the Pre-war period as well as regarding of absolute quantity and value volume of production like also in relation on their position in chemical foreign trade took first place by far in the world and based on it the in the Pre-war period given development tendencies, tied together with their capacity and their scientific Services, in the terms was, not only to maintain their clear lead, but also to do so further to enlarge. The outcome of the world war with all its economic consequences have this clear Development abruptly interrupted. Territorial changes, industrialization of former source countries and measures taken by enemy countries that are deliberately directed against German chemistry have one Shift to the detriment of Germany of extraordinary consequences.

The impact this Relocation could man in theirs entire Weight only

if reliable and comparable information about world production in the typical production areas of inorganic and organic chemistry is available amounts and values for the Before- and post war period to Disposal would stand. Only Such production figures could be used to show to what extent German chemistry lost ground as a result of the World War and to what extent the Recording of own production in numerous countries impaired or made impossible German exports. If, in the absence of such production statistics, one wanted to try to illustrate the scope of the shift that has occurred using figures from foreign trade statistics, then: Such an approach would involve fundamental flaws. Because the volume of world chemical foreign trade increased after the World War The impact of internal production, which was not statistically recorded, inevitably lost comparability with the pre-war figures from year to year further the comparability still through this disturbed becomes, that on the other side in the export figures A growing number of new areas and products appear with their export values.

Nevertheless be in the following some Considerations based on of foreign trade statistics:

The Chemical export Germany in the last Pre-World War II year 1913 fraud 910 millions Goldmark-1) In contrast, for the year 1924, the first, so to speak Normal year after peace agreement, the German Chemical export with 610 Million Reichsmarks reported. Although yes one pure external Comparison of these two figures, which indicate a decline in German participation in world chemical foreign trade (amount of 2,730 million gold marks2)) of about a third in 1913 on about a fifth in 1924 (world chemical foreign trade - 3,150 million Goldmark2)) at simultaneous Increase of American, French,

- 1) See. manuscript of the club for preservation the Interests the chemical Industry Germany e. V.: "Overview via the end work area 19" by Dr. Claus Storm, Page 219.
- Values determined after the official statistics the individual Countries and on Goldmark converted, omitting Chile.

Italian and Japanese share corresponds to the significant decline the German Chemical export would make clear so must but It should be pointed out that the real extent of the decline in German chemical exports through the outer Number picture by no means the actual one The circumstances are illustrated accordingly. These figures do not reflect the loss involved in the fact that - How already emphasized at the beginning - Major markets such as England, USA, Japan, the before dem World War II emerged as importing countries, have become largely self-sufficient in their own domestic market. Must one thus the German share, like he himself for the first :Post-war period, can be described as too cheap because the total foreign trade volume, at the he measured becomes, relative smaller is as before dem World War, so appears this German share also vice versa for this reason as to high because in the effective German exports in the first post-war years already It contains products that played no or only a minor role in German export values before the World War. Both factors have an increasingly stronger effect in the following years Scopes. Therefore, if the figures for the years after 1924 are a certain Germany's participation in world chemical foreign trade increases again show - without that however the German Portion the nominal would have been able to reach pre-war heights again - so this development only means apparently one partial recovery of the lost German positions. The actual Rather, development is characterized by that the German chemistry, despite all the measures that were directed against Germany in these years, in the interaction of research and production, commercial initiative and economic policy measures, through refinement the old Assortments, creation of specialties and fully with a certain degree of success by developing new products and by awakening new consumer needs. to find compensation for losses that cannot initially be repaired.

Out of this one Found is the German Portion at the World chemical foreign trade in the Years 1938 with about a quarter only first seen favorable, because in it the German participation in the export of chemical products is included, which, How e.g. b. Nitrogen fertilizers with around 53 million mark opposite around 36 million in 1913; before the World War in chemical foreign trade were significantly less involved in production and consumption given the state of technical development. This structural change in the Chemical foreign trade and the This makes comparability more difficult of foreign trade figures becomes even more obvious when you consider that the The total German participation of around a quarter is due to the fact that, for example, the "Pharmaceutical Products" item has around 127 million around 70 million in 1913 and the position "Phototechnical products". around 32 mill. or around 19 Mill. in 1913 recorded in the German export of 1938. There is less in the structure in both of the latter areas one Reclamation in impact of World War lost positions than in a typical way the circumstance of An expression of the fact that there is a new consumer that German chemistry in particular excels at opening up, directing and satisfying was involved.

In contrast, one restricts oneself to looking at the development of German export share in the essential, with the Time before dem World War

comparable major areas of inorganic and organic chemistry, so becomes obvious, that the Loss in impact of lost war a last that has remained. This is clearly evident in the fall in export values "Inorganic Chemicals and wood charring products" from around 186 million in 1913 to around 153 millions in 1938. What is most striking and serious, however, is the loss to Germany's detriment on the area of Dyes and intermediate products revealed:

Until for the At the outbreak of the World War, organic tar dyes were used almost only produced in Germany - 82% of world production in terms of volume. In the shareholding of 82% but that's coming Germany's real position in the world's dye production is not yet fully expressed. Because through appropriate patent and Customs legislation forced France, England and Russia to unite the German dye factories Part of their generation in this countries too place; This took place in the form of branch factories, whose production in 1913 accounted for around 6% of world production fraud. Germany Portion at the World dye business was therefore almost 90%.

The the German Dye industry about the same age Swiss Dye industry provided only 6% the world generation.

Before the World War, smaller, down-to-earth dye factories only existed in France and England and USA. Minor productions, the beyond in dem one or that were still present in other countries played practically no role.

For the internal structure of the front dem World War existed outside Germany been Dye production is the fact decisive, that the for These necessary preliminary and organic intermediate products come almost exclusively from Germany were delivered.

The worldview provides itself for the Year 1913 How follows represents:

	Dye % from the Total production in to		
Deutschland	127000	82	
deutsche Filialfabriken			
im Ausland	10000	6	
Frankreich	2000	1	
England	5000	3	
Schweiz	10000	6	
USA	3000	2	
	157000	100	

= Mk. 350 - 400 Millions.

The World export at tar dyes fraud in the same Years

	in to	in Mill. Mk.	
out of Germany	109000	218	90.5%
out of the Switzerland	9000	23	9.5%
	118000	241	100%

At organic intermediate products for the Tar dye production became in **1913** out of Germany the following Carry out done:

	to	in 1000 Mk.
France	1087	1151
England	421	721
Switzerland	4191	4298
USA	3420	3130
Poland/Russia	746	962
	9865	10262

The world war offered in the major buyer countries welcome occasion, to take action against Germany's leading position, with the English side in particular also using the justification of organic dye production be the basis of every chemical warfare industry. "National" dyestuff industries were founded in a number of countries. These efforts received government support from the outset through the provision of funds when they were founded or through ongoing subsidies. After the end of the world war, there was a strong one Protection through Import bans and high tariffs, the in of their impact were made even worse by the always again newly nourished anti-German attitudes of consumers.

The new "national" productions in the field of dyes and d_ie their construction and maintenance measures taken, some of which are in the provisions of Versailles peace treaty anchored became, led to the in the plant I and II•) in individual shown shifts in Germany's participation in covering the world's demand for dyes and the world's foreign trade in dyes.

This shows that through the development of "national" dye industries many places the World the German National economy in **1938** now with approximately. 27 % (quantitatively) and around 40 % (in terms of value) at the cover of itself on

was involved in world demand amounting to around 700 million marks, compared to around 90% in 1913, and that German exports of 218 Mill. Mk. (= 90 % the world export) in 1913 on 126 million Mark (= 55 % of world export) fallen off is. In contrast

Germany would have a share of around 550 million marks in foreign consumption in 1938 (ie world consumption without Germany) based on its prewar share of around 90% theoretically around 495 Mill. Mk. can participate.

The export from intermediate products to Tar dye production is from approx. 10 million marks Approximately 4 million marks decreased.

Undoubtedly it would without too the world war in various countries successively to Recording one Dye production came be. The today Scope of the non-German generation but is clearly the result of the political and economic policy directed against Germany over the last 20 years Power relations. The impact this Development shine above

^{•)} The mentioned both systems are not in the document book the prosecution contain - EN

the color area. Because color chemistry offered that basis for the **Start** of further organic chemistry production, particularly in the field of dyeing auxiliary products and textile auxiliaries, pharmaceutical products, vulcanization accelerators, the solvents, varnishes, the Plastics, etc

The above observations on the pre-war and post-war situation can ultimately be summarized as follows: as a result of the World War, the leading position the German Chemistry in of world production and in the World foreign trade in typical areas of large-scale production been transformed into a state is, the through stubborn defense sharp controversial markets is characterized by growing competition from new foreign chemical producers, largely directly or indirectly favored by the state. The indirect damage to the German chemical industry in Impact of World War is so unequal bigger than that immediate Substance- and Losses in value only the IG, which, like confiscated claims and warehouses, sequestered branch factories, etc., in Numbers can be expressed. {Compilation for immediate damage see appendix.}

Without a doubt you won't at the conditions, How them during the outbreak of world war passed, again connect and not the economic development that has occurred in individual countries or areas over the last 20 years Germany's burdens can be traced back to its original state. To a certain extent, the deterioration of the German position compared to 1914 will have to be accepted as irreparable. It may seem all the more justified, when planning a large-scale European economy, to give German chemistry a leading position again and a position that is commensurate with its technical, economic and scientific aspects rank corresponds. However, a decisive influence on all planning for the European area will be the need for a targeted and... powerful guide the inevitable confrontation with the one today already looming non-European metropolitan economies to secure.

To successfully assert the Greater German or European continental powers Chemistry in this one confrontation to guarantee, is it a urgent need to clearly recognize the forces that on the world market will be decisive in the war. •) Their significance is briefly outlined below:

1. The focus of the debate about a reorganization of the world market is relative to the *North American ones Corporations* are dormant. From European business for reasons that were already in effect before the war and that after the war be more effective are pushed away, the Americans will try with all their might to maintain and promote the expansion of their chemical exports, which was achieved during the war to countries other than European countries. The focus is on the Latin American market, whose importance is not only measured by the value of pre-war sales, rather under consideration the economic development

^{*)} The important Ask the Alignment the English Chemistry in Relationship to the European-continental Chemistry and the equally important question of future position of Swiss chemistry within the continental large area become in the Frame the country wise Representations treated become, as soon as the political requirements such more concrete Depiction allow.

Possibilities and tendencies must be assessed this Part of American niches continent for the Future in itself contains. The efforts the Americans in the pre-war period, the paragraph in the Latin American markets to expand, stood in the essential Scopes trade policy difficulties in this respect against when the USA was not able to liquidate the balances from its exports to these countries through sufficient purchases from these countries and, on the other hand, these countries did not have enough free foreign exchange to jump over the borders for the balance of payments from the trade balance. You have to assume that in the relationships of the USA to the Main countries of the Latin American continent in pursuit of war events one Transformation carry out becomes, the the position the American competition, and not just in the chemical sector, can be greatly facilitated. The strengthening of the Pan-American idea will coincide with the effects of the fact that that England already has it after The role of financier of the Latin American countries, which was shaken by the last war, will now be completely lost and that the USA will take its place. Latin America is growing in the wake of greater influx of American capital not only can buy more in the USA, but probably also have to buy more. On the degree of order or disorder of the European economic area and the creation of targeted trade policy conditions it will depend on to what extent and at what pace Europe, especially Germany, as a pure "trading partner" will rebuild its position on the Latin American continent, received and can expand. The Said for Latin America Incidentally, this probably also applies to Canada to a certain extent.

The second Main field the confrontation with the USA become the Countries of Far away East, including of today's British India and Dutch India.

- 2. The confrontation with the Americans in the Femen east **becomes** her be received special grade because to same Reframe the decision the The question will be to what extent the European position in the Far East vis-à-vis *Japan* can be maintained. The weakening of the Japanese forces as a result of today still ongoing Chinese conflict trade policy and other opportunities to achieve Japan's desired economic hegemony in the Pacific Rim ocean to slow down or for the time being to hold back. In the longer term there but must be seen probably with it be counted, that the stronger one Pressure on European economic interests in the Far East from Japan perhaps also in connection with the effects of a new era of industrialization in China and fewer from the USA here will come. One would probably not be mistaken if one sees the difficulties that are already being encountered today with imports to Manchukuo, Japan and Northern China, for example, as indicating the direction in which East Asian trade policy will move in the future.
- 3. On the problem of *Italian chemical industry* can in the Not yet at the moment in-depth position be taken, there the Possibilities of forming one Italian large area in the individual still not to overlook are. Because of the special Difficulties, the itself undoubtedly in the relation to one Italian metropolitan area and Given the so far recognizable been **Ex-**
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Italy's expansionist efforts in Southeastern Europe and Latin America must result but already today be emphasized that at the general German Italian ratio, how it for the time The end of the war must be assumed difficult with Italy on the Base of status quo out of the time before The outbreak of war is being negotiated can be, unless that first of all in place from wishes increased exports such as a higher share of the supply to the domestic market.

4. One similar Special presentation is too for *Russia* into the Eye caught, which must be mentioned in this context as a factor that remains constant political conditions to influence and contribute to the debate between European chemistry and the other major areas disturb suitable is.

At the Rating of the under 1-4 described balance of power in their influence on the to be allocated Planning may one for the non-European economic areas quite general circumstance not except eight be left. Also the current one War has again one Industrialization wave in the except European countries. The development doesn't just touch the Chemical production directly in the form of new or expansion of existing chemical production facilities in non-European ones Countries that belong to the German or European Chemical export affect become, but about it out emerged and will be in foreseeable future in these Industries are still emerging in areas that produce and use manufactured products that were previously imported from Europe Production of chemicals need in the broadest sense. The one for that However, the increasing demand for chemicals in non-European countries is driven by the German or European producers are not fully satisfied, at least not too same prices recorded become can, because it will be subject to stronger competition, especially from the Americans and Japanese or new national chemical producers.

Scope and The effects of this wave of industrialization are reinforced by the Fact, that European Escape capital in such non-European markets, especially in South America, and this facility provides some support finds in the Takeaway from Proceedings as well as personnel and material experiences.

The above Explanations show Scope and Meaning the Shifts which occurred as a result of the World War to the detriment of the German chemical industry. Next to the Looking back on the happened the is the past a representation of the Given forces that did not join forces after the war only the German, but ultimately the European-continental chemical industry in more serious terms confrontation becomes. review and outlook show the need all Planning is based on this conflict in theirs to ensure success and to for this purpose divergent interests in to subordinate the European industrial countries that can be influenced in terms of economic policy from Greater Germany to this goal.

This train of thought is for the elaboration our country-by-country considerations and suggestions and crucial.

Compilation the immediate Damage, the the IG in their legal processes flow in the impact of the ceasefire conditions from November 11, 1918, the provisions of peace treaty from Versailles and through were created during the Ruhr Battle•

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Berlin, from the 21. September tember t1126.

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- Declarations in 1000 mark DE
- •• supporting documents for:
 - Baden Anili11- & Sotla-F11/wik, Ludwigsburg11fen
 Loss compensation notice v. April 17, 1934, Act IV D, Compare 4349 and v. 4. 1. 3ö act E 2, VA Ea
 65 263 IV of State tax office Berlin as settlement agency the Residual management for Reichsauf gifts.
 - Ftuben/11/wilten before. Friedr. B11ye, & Co., Levuhust1t
 School compensation notice from Reich Compensation Office Berlin for War damage v. 30th td. 29 act IV D, cf. 4302, Ant. III D and v. 9/9 1929 Dept. IC Group for Securities.
 - Ftubreer/ce before. master Lucius & Brüning, Höcitsl 11. M.
 Final compensation notice v. 29. 9. 1932 act IV D, Compare 4038 the Residual management for Reichs tasks, Berlin.
 - 4) Leopold Cassella & Co., GmbH, Frankfurt a. M. Final compensation notice v. 10.t. 1933 IV B, Forget. 10633 and v. March 26, 1931, E, III/IV B10633 of Reich Compensation Office for War damage, Berlin.
 - Public company for aniline/wication, Berlin
 Final compensation notice v. September 24, 1930 act IV D, Compare 16186 <i. Reich Compensation
 Office for War damage, Berlin,</p>
 - Chemical Factory Griesheim electron, Fra, kfurl a. M.
 Final compensation decision v. 14. 10. 1931 act IV D, Compare 4645 the Residual solution for Reichs tasks.
 - Chemical Factory m before. while,-le, Sea, Uerdingen
 Final compensation notice v. 17. i. 1930 Dept. E, Act IV D, Compare 9340 of Reich compensation
 Office for War Damage, Berlin.

- 8) Kalle & Co., Biebru:h Final compensation notice v. 20. 6. 1929 act IV D, Compare 9330 of Reich Compensation Office for war damage, Berlin.
- 9) Wiilfi"K, Dahl & Co., Ba,,...n

Schlu8 compensation notice v. 5. 9. 1929 act lll 6 **A** (S) 803 Dad. d. Reich Compensation Office f. war damage, Berlin.

... 10) Claim claim for . \external expenses. at the Reich Compensation Office, Berlin, loud ours books.

The damages recognized by the relevant official bodies therefore amount to: in total on round 133 Mill. **Mark**, to what sum still the reported 70 **million. Mark** for price and interest losses reparations etc. -supplies for dyes come. In around 203 **Mill. Mk.** are but the the The direct damage caused to the German economy is only partially covered. Because it lies a number of large ones Damage positions before, for the at the time one Register with dem Reich compensation or. Reich Compensation Office not took place. It In particular, this concerns: for the following items:

- a) losses at Export values through the after dem Versailles Contract Mandatory calculation of reparations deliveries at the lowest world market price instead of at the normal export price.
- b) Damage caused by months of shutdown of West German factories during the occupation .or. the Ruhr action.
- c) Sanction damage during the Battle of the Ruhr through the imposition of customs duties between occupied and unoccupied territory.
- d) Confiscation and expropriation from patents and trademark, through By force too low Compensation rates at coercive etc. licenses and through devaluation of the agreed equivalent due to currency devaluation.

The Effect of the damage of positions a) - d) for the German economy cannot, of course, be measured precisely. But its height exceeds that of his time Compensation for damages underlying laid Amounts certainly around a Multiple times. So falls for example alone out of the item a) an amount from 126 Mill. Mark on.

France Strict confidential

The consideration assumes that in the course of an industrialization, like It was used in all major states after the end of the World War, including France the chemical industry one has taken some development, the all over again undone to make not the last The goal of a European be reorganized can. In the contrast to the chemical large industries other main industrial countries the World, Germany, UNITED STATES, England, was however the French one chemical Industry in first line on the needs hers Domestic market oriented and has only been in export individual areas and also on this one many times more out of Prestige considerations as out of Found more economical need noticeable made. Her more technical was standing was also far on a large average basis away from it, the needs of her highly developed Domestic standards alone to satisfy to can. The normal A need to drive was and remained a significant one. If this in the wake political and more monetary Development in the last throttled back for years it didn't correspond to the real thing Economic situation. Quite fundamentally is therefore from us the position assumed that the French chemical Industry also at the coming Reorganization a life of its own keep should, that but the artificial ones barriers, that of the Germans imports through excessive tariffs, A driving quota etc. set have been, eliminated become must. It can also be assumed that that in general an export of the French chemical industry only in exceptional cases and insofar as it occurs earlier, that is, before the global economic crisis, established was, maintained become and that the French activity appropriately on your Domestic market should limit. At our following explanations have we us from dem guide endeavor let, a program to record, How after economically reasonable aspects in the interaction of the German and French chemical Industry a economic optimum reached become can. For German imports into France were in the Franco-German trade agreement of August 1927 generally one Platform created been, the one he was successful and economically sensible activity in France in prospect. Because this commercial contract is in Over time continued its original aim counteracting Restrictions suffered, became in the last years an actual one Condition created, the one dem was standing the German one Technology and at the same time dem French Need for consumption appropriate activity the German chemical Industry on dem French market excluded. It may therefore for the reorganization not approximately at the status quo of the import of the last Years before the start of the war, rather it must to the period linked become, the directly dem Diploma of German French commercial agreement followed, in which the volume the German chemical exports to France according to the French Import statistics have a value of up to to around 80 millions Reichsmark p. a. reached. On the other side should the French export on such things and Sales areas be limited, the dem natural and since decades established and up to the above time before the Great Depression achieved was standing ent-

speaks. French exports, especially in the last years before the war, were of various kinds Parts of the \Veit, especially to southeastern Europe, Scandinavia and South America, were made purely for prestige-political reasons uneconomical be prevented.

Before suggestions are made in the sense of the above statements, it seems appropriate for the individual sales areas a historical one Looking back was standing and development before and after the world war.

- I. Development and was standing the French chemical industry under special Consideration the German export interests, structured after sales areas
- 1. dyes, dyeing auxiliary products, Textile aids

Self-employed people "nationa\P," Dye producer were before dem World War only the companys

Societe Anonyme des Fatieres Colorants and

Products Chimiques de St. Denis (formerly

Poirrier)

and

Establishments Stones:-, Vernon,

the approx. 10% of French Dye consumption covered.

The society for Chemical Industry in Basel had a branch factory in St. Fons; likewise the company **J.R.** Geigy AG., Basel, in Maromme.

Those under the influence of the French Patent Act and the import duty of ffrc. 1.- p. kg (= **0.81 Mark)** branch factories of the German dyestuff manufacturers built before the World War, namely:

Succursals de la Baden Aniline- & soda factory, Neuville s/Saöne

(Ludwigshafen)

Societe Anonymous of Products Chimiques Fredr. Bavarian & Co., Flers (North)

(Leverkusen)

Company Parisienne de colors d'Aniline, Creil (Oise) (Highest) Manufacture Lyonnaise de Matieres Colorants (Usine la Mouche), Lyons

(Rh0ne) (Cassella) Succursals Frani,:aise de l'Public company for aniline manufacturing, St. Fons

Societe Anonyme of the establishment VVeiler-ter Sea, Tourcoing

(Verdingen)

(Agfa, Berlin)

were taken away from Germany during the World War and from the French industry to Disposal placed, where not only those Investments, rather The technical and commercial knowledge of the employees taken over was also in the possession of the enemy passed over.

The patent and Trademark ownership the German dyestuffs industry was taken over by the national French Industry utilized.

After the World War, German imports were subject to the general tariff rates, which were four times the minimum tariff rates and were therefore prohibitive for dyes; also lost the import one compulsory approval. The until to develop greater performance of their own production still required Dyes became mostly on Reason the Attachment

VI of Versailles peace treaty duty free and to preferential prices out of German-

country related. For every delivery made outside of the reparations, the French treasury charged the French buyer 26% of the **invoice** value as a reparations tax. In the Years **1938** became a Dye Import Licensing Act enacted.

The French-owned French dye industry today consists of the following Companies:

- Company National de Matieres Colorants et Manufactures de Products Chimiques you Nord reunies Etablissements Kuhlmann, Paris
- Society Anonymous of Matieres Colorants & Products Chimiques de Saint-Denis, Paris
- 3. Company Fram; aise de Products Chimiques et Matieres Colorants de Saint-Clair-du-Rhöne, Paris
- 4. Society of Products Chimiques et Matieres Colorants de Mulhouse, Paris
- 5. Establishments Steiner, Vernon
- 6. Society Anonymous pour !'Industry chimiques, Mulhouse- Dornach
- 7. Mabboux & Camell, Lyons
- 8. Society of Matieres Colorants de Croix Wasquehal (Burel), Roubaix
- 9. Prolor, St. The

Companies 1-6 are among each other intertwined in terms of capital and in the "centrale of Matieres Colorantes, Paris" united; the Companies 7-9 are under the control of the Centrale des Matieres Colorantes.•)

This Companies based, with Exception of the already before dem World War II passed Soc. At. des Matieres Colorantes & Produits Chimiques de St. Denis and the Etabl. Steiner, Vemon, *exclusively* on the potential the The above-mentioned **branches** of the German paint factories in France and either still operate today the old facilities (St. Clair-du-Rhöne/La Mouche) or have built new **facilities** in the immediate vicinity of former German factories, consolidating the companies that were spread across several factories before the World War. The latter applies above all to the largest of the French dyestuff companies, which was founded in the Compagnie Nationale de Matieres Colorantes et Manu factures de Produits Chimiques du Nord reunies Etablissements Kuhlmann, which was founded by the Compagnie Nationale des Matieres Colorantes, whose main factory is in Villers-St. Paul (Oise), diagonally opposite the former Höchst factory, which has become a ruin - the Societe Parisienne de Couleurs d'aniline - has been rebuilt.

Under dem Pressure the in the German Factories used French Con

troll authorities and around the industrial espionage carried out there to put an end to it, concluded The German dye factories signed a contract with the latter Compagnie Nationale at the end of 1920 45 years away, after dem in return for technical assistance the Comp. National a cash amount of 16^{2} / $_3$ million ffrs. accordingly approx. 5.5 millions GM - to pay and until 31. 12. 1965 the had to pay half of their net profit.

The A one-off cash amount was paid and a share of the profits was received but never for payout, since in the two years that this contract has existed French society showed no profit.

*) Besides that located sieve in St. Fons at Lyons the Basel IG belonging company Socit\tt\ pour !'Industry Chimique il fill Usines Succursales a St. Fons.

During the Battle of the Ruhr the Comp. National from the above-mentioned establishments. Kuhlmann recorded. They declared themselves not to be bound by the treaty and canceled it in 1924 one-sided. At Due to the powerlessness of the empire at the time, legal prosecution of the case had to be refrained from become. The Breach of contract was over so more unheard of than in the both Years during which the contract existed, the entire Comp factory. National on ground ours technical Advice, the under the guide of former first technical director of Leverkusen, director Dr. Krekeler, stood, was completely redesigned with our procedures and experiences.

At the tight technical and personal Connection between Kuhlmann and St. Denis - Kuhlmann has a significant stake in St. Denis and has several representatives on its board of directors - are the technical achievements that Kuhlmann has received also St. Denis benefited.

The aforementioned factors led to the German dye becoming rich in France finally almost completely in the background urged was, and in German French trade agreement In 1927 Germany had to deal with an import quota of 5million GM be content with that moreover nor the dyeing auxiliary products a castle. Remained was furthermore one significant Customs burden. In contrast, dye sales in France and its colonies were the same Years in total 48.5 million **marks**, the to approx. 2/3 from the "national"

Dye industry and to approx. 25% from Swiss production sites and Swiss import was covered. Germany's share to satisfy French dye consumption thus fell from approx. 90% in 1913 (sales approx. 22 millions Goldmark) on approx. 9% in 1927, where particularly to observe is that Alsace-Lorraine, with a highly developed dye-using industry and around 2 million inhabitants, is part of the French Domestic market fell. Apart from the extensive domination of the French market, the French dye industry, turn increasingly to exports. This effort increased the German dye's foreign trade volume a more significant Damage added, the not so very in the loss of customer positions - the German dye industry led the way Fight against the French with all energy, but rather in the fact that the German export price structure is often raised by France's undercutting was affected on a broad basis.

After years of fierce competition for German industry Due to the discriminatory treatment of German imports, it could not be carried out on the French market and therefore only took place on the world market. In 1927, in the course of the German-French trade contract negotiations mentioned above, a market-regulating cartel agreement was concluded that limited competition between the German and French group should be switched off and this Goal also largely achieved has, Of course under essential German industry refrains from operating on the French market and recognizes the export volume achieved by the French in the struggle, that has changed in recent years approx. 11 millions RM pa moved.

The double injustice of 1918 and 1923/24 were never made up for.

2. Chemicals

In the chemical sector, before the World War, French industry primarily covered the needs of its own country, including the colonies, and more out in the essential only Generation peaks executed. hand in hand with the well-known tightening of French trade policy in the form of a extraordinary worked through customs and quota system,

with the further impediment to imports caused by the obligation to designate origin,

with the aggravation in the right of establishment,

with of discrimination through one propaganda carried out in favor of the national industry,

has himself always The desire to force the export of French chemicals beyond the previous level under all circumstances has become clearer. In addition to the resulting general impairment In terms of German exports, the often inadequate knowledge of the market situation led to extensive price collapses, which increasingly severely disrupted German export interests on third markets.

3. Pharmaceutical Products, dental products, Pesticides and vet. med. Products "BAYER". Sera and vaccines BEHRING WORKS

Before the World War There were seven more important ones in France Producer of pharmaceutical specialties and pharmaceutical chemicals, namely

Society of Usines Chimiques you Rh0ne, Paris•).

Etablissements Poulenc-Freres, Paris•),

Laboratoires Clin, Comar & Cie., Paris,

Laboratoires Midy, Paris,

Establishments Byla, Paris,

Establishments Chatelain, Courbevoie (Seine),

Pasteur Institute, Paris,

just next to it one larger number of medium and small businesses, the predominantly only had local significance. The total production But it was by no means enough to overcome the internal French situation to cover the need for pharmaceutical products. Exports were carried out almost exclusively in special products, primarily from the seven manufacturers mentioned at the beginning .

The Scope the one from the later in Companies affiliated with the IG to France including the French colonies and French protectorates years before dem Sales made during the World Wars amounted to itself on around 1.5 _ million Reichsmarks per year. The first through the trade agreement of 17. August 1927 again created Possibility the import ours Products led in the years after 1927 only to modest sales and provided 1939 a those of approx. RM 600,000. While the average Annual export after France

Both since Merged June 26, 1928 to today still existing company Soci6t6 of Usines Chimiqnes RhOne Poulenc. Paris.

before the World War approximately a share of 6% of the total exports of the above-mentioned IG companies corresponded, provides the export from RM 600000, in the Years 1939 a share of less than 1 % at the Total exports from "Bayer". So the total exports in **1939** compared to the pre-war period now twice and a half times has is the paragraph after France on 40% of paragraph from before the world war declined.

This Development is in theirs Course conditional through the as a result of World War and the Versailles Dictations are particularly difficult and disadvantageous Conditions of the Post-war years. The nearly 15 years while compulsorily exclusion of all German pharmaceutical products from French market, the removal of German ones Trademark, the recovery of stolen items German intellectual property, as well as the after dem World War existing, from strong to the authorities supported and by The chauvinistic attitude of all circles involved, which was exploited to the utmost by the industry for its own purposes, led to the pharmaceutical industry in France experiencing an extraordinary boom. So could in shorter It's not just the French market that's largely closed at the moment from our own production, but rather from it out led this strengthening of those mentioned in the preamble Reasons given in the French pharmaceutical industry also still pure economic Export interests arose a significant urge to export to world markets. With her now strong The developed domestic market appeared to provide support French companies are extremely active With a few exceptions in all countries of the world. There were often strong price wars, in the course of which valuable sales areas often fell to the French to the detriment of German exports, but in any case German export revenues were significantly reduced became.

A closer examination of French industry in the period after **1914** created Products leaves itself easy recognize, that it itself in the far from most cases around Plagiarism German original preparations acts. 1) Legal action could be taken against the publication of French plagiarism, which in almost all cases represented a clear violation of German patent rights nothing was done because there was and is no patent protection for pharmaceutical products in France, a condition, the through proposals laid down elsewhere should, in principle, be put aside for the future. Only in a few exceptional cases did this occur French industry with its own inventions and discoveries.

This broadly described development since 1914 and 1918 is in detail by the following Data marked:

By law of November 7, 1919, authorization was required for the import of German pharmaceutical products and only for German ones. This measure in Connection with the Application of Maximum-

- 1) "What will then become of the barely paid, expensive facilities that were built to serve the needs of... Germans invented Products to fabricate? Quite generally, if the Proceedings patented or free is, that has little to say. If we only the French consumption and those the countries, in those through the German Industry no patent taken become could, in Consideration pull, so have Due to our laws, we have the possibility of using the manufacturing processes invented by the Germans to exploit, and it would be ridiculous on our part if we this legal conditions not exploit wanted to." Out of one Speech from Prof. Fourneau in front the Total e.g. Financial support the national Industry on
 - 17. April 1915. In .England Trade war diechem. Industry". Prof. Dr. A Hesse. Prof. Dr. H. Large man, Stuttgart 1917.

tariffs with the Four times the basic customs duty completely prevented the import of German pharmaceutical products until 1927. The same applies to approximately the same data the French colonies, protectorate and mandate territories. After the completion of the German-French commercial contract dated 17. 8th. 1927 became that is this aggravations eliminated, the absence of our products from the French market during the period of 14 years and the However, the expansion of the French pharmaceutical industry during this time has made our business in France as modest as mentioned to this day Extensively condemned.

Next to it was the paragraph continues made more difficult by the high, Import duty of 15% of the public price, which has a protective tariff character of pharmaceutical specialties, one around 35% load on the exemption limit represents value.

Through French Law of 25. 4. 1895 or supplement to this from 14. 6. 34 (published in the "Journal Officiel" of 22. 6. 34) provisions apply to the import of Sera and vaccines an import and distribution German sero bacteriological products in France were practically impossible and served exclusively to protect the domestic industry. Complaints that were repeatedly raised in the German-French trade contract negotiations remained unsuccessful despite offers of German accommodation.

Although in the area of special veterinary preparations as well as the Veterinary sera and vaccines import bans do not exist in themselves a Business building in this division only in possible to a small extent been. The is because the More than **90% of French veterinarians** are organized in an association (Syndicat National des Veterinarians de France et des Colo nies), the itself obligated, only at "approved" French Veterinary companies too buy that in return each of their packs with a token and the amount this token to the pension fund of the French Veterinary Association dissipate. To get into this ring of French veterinary companies, was practically impossible for us.

The entire range of opotherapeutic products for parenteral injections, which have become increasingly important in recent years, was severely hindered by imports. The Registration is also mandatory for local products, however became the Permit for this uninhibited granted, while at us for every single product takes years of effort for approval were necessary.

A further complication was the affixing of the origin mark (Imprime en.) required by customs law Allemagne) in a large part of what is important to us propaganda material.

The lowering of the German preparations compared to the French products also contributed Tenders and other contract awards by French state, municipal or other authorities had an impact on the Paragraph of our products.

Considerable difficulties also arose when setting up a representation in France. Tax policy and labor law Measures and regulations made it possible to build a well-functioning system that was tailored to our interests Representation practically impossible.

Particularly disadvantageous worked itself for our Business the situation on dem Were

drawing area. The through the Versailles dictation took place Declaration of release ours

protected trademarks and the to 1928 ongoing impossibility, **trademark** infringement procedural to track, led to significant Damage. For example became the us protected Trademark Aspirin in France used by eight companies.

Size Losses, especially in business opportunities, we suffered through the missing one Patent Law. For example We in France were forced to conclude licensing agreements with various companies for valuable products such as Abrodil, Betaxin, Germanin, Naganol, Asuntol, Atebrin, Plasmochin and Prontosil, the terms of which in no way corresponded to the true scientific share of the French partners and of were only concluded in this form under the pressure of unfavorable circumstances.

Similar applies on dem areas the from Germany guided international

Conventions for pharmaceutical Chemicals, e.g. from "BAYER" for acetyl salicylic acid, for which the French had to be granted territorial protection regulations and export quotas went far beyond what French companies were actually entitled to.

It is difficult, if not impossible, the damage, the to this Way alone the pharmaceutical Department the IG was added to determine exactly. Use carefully compiled Documents, the to Disposal stand, quantify we the pharmaceutical division of the IG since 1914 Damage caused to approx. 80 Millions Reichsmark.

4. Photographika

It already existed in France dem World War One local photographic industry, which is supported by the Customs policy was largely protected. From those times existing companies went after World War the Company Pathe in the Owned by the American Kodak Rochester. At the outbreak of war in 1939 passed following factories, the deal with the production photographic products concerned:

- 1. Kodak Pathe
- 2. Soc. Lumiere
- 3. L'industry Photographique (Gevaert)
- 4. R. Guilleminot, Boes: flight & Cie.
- 5. ,.As de Grefle" (Anciens establishments) Grieshaber
- 6. Establishments Grumiere
- 7. M. Belly & Cie.

Further concerned itself with the Manufacturing of photographic Cameras or narrow film cameras from the following companies:

- 1. Society Lumiere (photographs)
- 2. Geronet Camera Cie. (photographs)
- 3. Soc. Andre Levy & Cie., Etc. Boyer (photographs)
- 4. Establishments Emel (narrow film cameras)
- 5. Soc. of Establishments Krauss (photo optics)
- 6. Oehmichen (narrow film cameras)
- 7. Pathe-Natan, Pathe Cinema (narrow film cameras)
- 8. Soc. Fran aise, Pathe Bany (narrow film cameras)

- 9. Established Andre Debrie (narrow film cameras)
- **10.** service Commercial "Ericsson" (narrow film cameras)
- 11. Pathe-Rural (narrow film cameras)
- 12. Cine gel (narrow film cameras)
- **13.** Erosam (narrow film cameras)
- **14.** Lapierre Cinema (narrow film cameras)
- 15. Su Ga (narrow film cameras)
- **16.** Camera Facine (narrow film cameras)

After the Versailles Dictate, the protective tariff policy towards all importing countries was continued, but for Germany through the Application of the general tariff until **1924** and the system of reparations deliveries, as well as the preferential treatment that continued even after the trade agreement was concluded in 1927 "pays amis" in quota allocations, tightened.

With the granting of minimum tariffs following the conclusion of the German-French trade agreement in 1927, the German photographic industry was in a position to do so in to a greater extent possible, itself dem French market to turn to. The consequence was one Tenflil, chung ours export from 1927 until 1931. This favorable development continued The French quota policy that began in the spring of 1932 government an end. For the photographic Industry

the form in which the quota policy was implemented was particularly hindering out of. Since the quotas Reason the Introduce earlier **Years** set became, stayed barely Possibilities, the French market with in

between emerging new products, such as Color films, 35mm films u. a. to supply.

Particular difficulties arose with the management of the camera contingent, which was in the hands of the Comite Interprofessional was up. The Activation of such a ComiM interprofessional had to Consequence that bodies and personalities had to decide on German import quotas were to be seen as direct competitors of the German importing manufacturers and were largely exploiting this situation to benefit their domestic French production to derive benefit. So it happened that at this type of management the Quotas Conditions resulted in a fair and full distribution The utilization of the quota quantities is often not guaranteed. A further disadvantage for German importers was that domestic French products were absolutely preferred or prescribed for deliveries to public and state institutes and authorities became. This tendencies became still through this promoted, that as a result the currency devaluation and the with it related Impact on everyone competition between German photo products was made considerably more difficult.

On this Way was it not possible, those Portion at the to secure a French market for German photographic products that corresponded to the superior quality of our material.

In addition to supplying the... own market stepped The French photographic industry also appeared as competition on the rest of the world market. In particular in South America and the Balkans there was competition from the companies Kodak-Pathe, Societe Lumiere and Guilleminot for us disturbingly noticeable.

On the French market were except the American (Kodak), English (Kodak and Ilford), Belgian (Gevaert) and Italian companies (Ferrania/Tensi) are tangibly represented by German importers.

The French industry was brought together in the "Chambre syndicale des Industries et du Commerce photographiques". This organization dealt with the questions of price and market regulation. The main representatives of the foreign brands, the after France imported, were in the "Chambre syndicale pour l'importation d'articles photographiques et cine matographiques et annexes".

These two chambers sat together on questions relating to market regulation in general the market regulation French industry as had to be recognized decisively.

5. Fragrances

The synthetic fragrance industry already existed in France before the World War. The leading company the Societe Chimique des Usines du Rhone. This Industry owned a Customs protection. He fraud for the Pos. 112bis synthetic fragrances 15% ad valorem. Despite this tariff, German industry was able to enter France in 1913 79000 kg in Export values of 1.2 million marks.

After the World War, the duty on synthetic fragrances was increased to 20% ad valorem, plus 5% for imports and fragrances Sales tax was added. These customs as well as the application of General tariffs on the German one import until in 1924 made it more difficult to rebuild fragrance exports to France. As further protection for French industry, the In 1932, a strict quota was introduced which, although it affected all importing countries, had a particularly disadvantageous effect on Germany in that France did "pays ami" e.g. England and Belgium, granted preferential treatment.

Because the French government has made monetary policy a factor of Trade policy made, was it the German Fragrance industry many times not possible in France and on foreign markets due to the constantly falling prices of the French products to follow.

In France, the synthetic fragrance industry was able to gain leadership the Rhöne-Poulenc company strong expand, like that that the Export Fragrances from Germany to France by 1938 to 11,000 kg with a value of 68,000 RM.

This tendency of decline as a result trade policy Barriers became This is further reinforced by the fact that the German fragrance industry for vanillin, ethyl vanillin and gumarin has international conventions for all foreign business with the French manufacturers of these products concluded which had the effect of that the French market for the three products mentioned German exporters lost while however the German market the German producers Reserved stayed.

6. Artificial spinning fibers

With the export of us manufactured Synthetic spinning fibers, namely viscose, in particular Vistra fiber, as well as Artificial silk, have we first after dem World wars started.

Vistra

After in years 1919 from us the production of Vistra fiber had been recorded, succeeded it, already in 1920 via the Industrie Gesellschaft für Schappe in Basel, a friend of ours, with its branch in France Soc. Indian pour la Schappe, Tenay or. Soc. Anonymous de Filatures de Schappe, Lyon, to get in touch.

After Overcoming diverse market and technical difficulties became apparent from the year 1927 from on increasing sales achieved. After from us like that Possibility of processing from Rayon in France was created, the group interested in production in France, the Comptoir des Textiles artificial, in Years 1929 to achieve a significant increase in tariffs. While until then the customs duties per kg would be Ffrs. 2.20 was what in view of the Considered portable at the price of RM 4.50 per kg of Vi5tra fiber at the time was would this sentence in Years 1929 based on the mentioned Interventions on ffrs. 8.75 per kg increased. It should be noted, however, that later, after the price of Vistra fiber had fallen significantly, there was again a reduction to ffrs. **3.40** took place. After all, the favorable development of Vistra's sales in **1929 was** interrupted by the tariff increase.

A certain expansion of the business was brought about again by the fact that the "Association Vistra" was founded in France in 1931 through our initiative.

The following companies belonged to it:

Le Blan & Cie., Lille, Filatures G. Vermersch, Lille, Cotonniere Lilloise, Lille, Th. Barrois, Lille, Charles **Mieg** & Cie., Mulhouse, etc. Valentin Bloch, Mulhouse, Filature de Colmar, Colmar, Union Textile SA, Guebwiller,

at.

Due to the contract underlying this association, our Vistra spinning experiences were left to the spinners there. In addition, the extensive experience that has now been gained in Germany regarding the dyeing, printing and finishing of Vistra products was announced. Spinners and Weber received through from us The samples carried out are extensive Suggestions and also instructed we the Processors of our Vistra fiber in France in the Vistra propaganda and largely supported them in this area. In contrast, the spinners belonging to the "Association Vistra" committed themselves to only processing Vistra.

The already above called Comptoir of Textiles artificial practiced then for the purposes of expansion his Rayon production plans on the the "Association Vistra" The spinners who belonged to the company put pressure on them by threatening them with a delivery block if their own production got going and the German cell was no longer allowed to be imported into France. So it was possible to separate two spinning mills from the "Association Vistra" and to close the rest influence, that a Consist not more possible was. Besides became from the

Comptoir des Textiles artificielles founded an "Association Velna", which as such is an imitation of the "Association Vistra".

The The exclusion of Vistra fiber from the French market due to this situation was only lifted in **1939** with the help of the Industrie-Gesellschaft für Schappe in Basel through the delivery of endless tapes. This is how it was done via the Soc. Anonyme de Filatures de Schappe, Lyon, to reconnect with the French **market**.

Artificial silk

The development of our artificial silk business with France showed up to the year 1933 rising Tendency. The Contract duty rate from :ffrs. 16.25 until 19.50 or the Customs regulations worked for the Business extraordinary inhibiting. Despite it was it possible until there in to a certain extent shops too make. As a result of the devaluation of the French currency and the resulting reduction in sales for our artificial silk in France, the business steadily declined and finally had to be stopped in 1937. To adjust for the devaluation we would have the Prices in francs would have to be raised considerably, but that would put us at odds with the very strong domestic market Not competition remained more competitive.

Besides this Loss of the French market in favor of the French industry was it this also as a result the Currency devaluation possible, itself in reinforced Dimensions the export business to turn to. The French artificial silk industry concentrated itself included not on the systematic editing of a specific market, but offered their artificial silk all over the world at prices that always significantly below the German quotations were. This made it possible our overall exports are significant disturbed, there it was required, to On preservation of rights of German export volume significant price sacrifice to bring.

7. Nitrogen and Nitrogen products

In the *nitrogen field* has the world war not since long-standing economic Developments and constructions cut off; he rather intervened the Beginnings the European Nitrogen industry encouraging and shaping a. In the Year 1913, the Year before dem World War, fell as is well known the Completion of the work Oppau, the first Attachment to Manufacturing synthetic nitrogen. While of World War himself was then under the compelling necessity the German Self-sufficiency with Nitrogen the Leunawerk built and thereby the Coverage of Germany's nitrogen needs during the war was ensured as well at the same time one capacity created, the in the post war period made German nitrogen export possible for the first time.

Before dem It had world wars Supply of Germany with nitrogen, apart from the nitrogen production of the German coking plants, on an annual import basis 775000 t Chile saltpeter in values of 171 million marks. Also for the other European countries with intensive and highly developed agriculture arms industry was Until then, Chile was the main country Source for covering your own nitrogen requirement.

Until to At the time of the World War, France was also primarily involved in Chile dem for his agriculture and his Necessary arms industry Salt peter supplied (1913 - 322000 t). There was not yet any production of synthetic nitrogen. The development of a German synthetic nitrogen industry and their strength increase under the compelling one However, the necessities of the world war led in France to the desire to also develop a synthetic nitrogen industry for future military purposes peaceful times from the Nitrogen import independent close. Due to the unfortunate outcome of the war for Germany, it remained in France not only in the desire to emulate the example set by Germany during the World War, but the peace of Versailles France allowed by skipping independent initial developments without further ado on the basis already created by Germany and taking advantage of German scientific and practical experience as well to set up a French synthetic nitrogen industry with German help. Nevertheless, already during the World War at the request of the French Government in Soulom one Nitric acid plant originated and the existing calcium cyanamide plant in La Roche-de-Ram6 expanded became and despite it on dem area of Ammonia synthesis Georges Claude already in the Years 1917 his experiments with Hyperprinting (around 1000 atmospheres) began, it was practically only the year 1919 that can be described as the beginning of synthetic nitrogen production in France. This year, after Claude, as a result of the occupation of the Rhine Palatinate Opportunity had had, the Oppauer To view the work in detail, the Soci6t6 de la Grande Paroisse was founded, which exploited Claude's patents. During the Years arose then, especially afterwards at the Coking plants the Coal mines in Northeast France a number of systems the Claude process.

The French State made after the cessation of hostilities himself serious efforts, the ammonia synthesis on a larger scale to carry out scopes. Under the pressure of political Conditions said the French state in November 1919 a Contract with the Baden Aniline- and Soda factory in Ludwigshafen-Oppau through which BASF uses its patents and its experiences in the field of manufacturing synthetic Ammonia, Am monsulfate, Nitric acid, ammonium nitrate, sodium nitrate, urea salts and mixtures of these products had to. The "Badische" also had to undertake to protect everyone plans and Information about deliver and their technical support for Construction, commissioning and Operating a factory to produce 100 tons per day Pure nitrogen in the form of ammonia water. This project is however, it was later changed to say that for the actual ammonia synthesis in addition to the Haber-Bosch process for about a third of the capacity Casale procedure - an equally modified Haber-Bosch process - applied become should. The ones after these plans from the French state the The nitrogen factory built in the former Toulouse powder factory is in operation in to a small extent only in Taken in 1927. In general, most of them were made using the Claude process built, as well as those later after dem Casale procedure built Nitrogen factories in France essentially first in the years 1927 to 1930 in Operation set. The known to us Total capacity the synthetic Investments amounts approx.

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275000 t N We hold however this Number for to high, because the until now achieved production in these plants can only be achieved with 130-140,000 t N. The total production *all* existing nitrogen systems, so including Coke plants, gas plants and calcium cyanamide factories, amounted to Years 1938/39 around 180.000 t N

As long as France itself had no significant production of its own, Germany did not have to send unbearable quantities of sulphurous ammonia to France due to the armistice agreement and the Treaty of Versailles delivery (in the years 1920 -1922 ever 6000 t N in shape from sulphur. ammonia). During the Battle of the Ruhr the French occupation also... on the works BASF alone produces approx. 13,000 t N in the form of sulfur rock acid Ammonia confiscated and on Reason one contract with the occupying authorities (Koblenz Agreement) for the months December 1923 to February 1924 For the first time, free delivery of approx. 2600 t N required. The Koblenz agreement became still multiple extended, and that is until for the

21. 10. 1924, and conditioned another, to the largest Part free delivery of approx. 7000 t N The Deliveries the later years, namely from November 1924 to the fertilizer year 1929/30 inclusive, which were carried out on the basis of reparation contracts between the nitrogen syndicate and the Comptoir Fran,;ais, amounted to around 173,000 during this period t N in form of sulfuric acid Ammonia, approx. 5000 t N as Lime saltpeter and approx. 7000 t N as sodium saltpeter. At the end of the fertilizer year 1929/30, when reparation deliveries ended, the French factories were able to cover their sulfate requirements from their own production. Although now they too Manufacture from saltpeter fertilizers larger scale had been included, there still remained a need for imports of around 64,000 t N as soda saltpeter per year. The Nitrogen requirements France lay so in the still significant in the last decade higher than the own production. An essential part of this need for subsidies through import out of Germany covered. requirements This did not prevent the French government from introducing compulsory licensing in 1931 and from imposing a relatively high tax in connection with the issuing of import licenses (approx. 4.8 Pfg./kg N) to raise. The French one Country wanted himself thus a source of income to the French nitrogen industry to compensate for the price reduction decreed by the state, perhaps also e.g. T. should go to agriculture. The Chileans, who until then had almost exclusively covered France's additional saltpeter needs, refused to pay the required license fee, whereupon the then French Minister of Agriculture, Tardieu, advocated that in December 1931 Conclusion of a delivery contract between the nitrogen syndicate and the Comptoir Fran,;ais about the Delivered annually at least 150,000 t baking soda saltpeter (approx. 24000 t N) came about. Because of this contract there was also an exchange of notes between the German and the French government instead of. In the first year this contract (fertilizer year 1931/32) this contract was signed by fran zösischer Page loyal led by h. But already in the next Years the French prepared to comply with the significant difficulties in the contract. Regardless the Agreements in this one Contracts were made Norway Reason of the Norwegian-French trade agreement Covering the French Baking soda saltpeter import requirement amounting to 20% assured. Apart from that of that related

France of this Years away again larger amounts from Sodium saltpeter from Chile and the United States. With regard to the contractual relationships the IG to Norsk Hydro gave the Nitrogen Syndicate each on Request from the French government in the agreement with the German government gave its consent to the deliveries from Norway, which in this respect also in the German interest lay, as on Reason of IG contract with the Norsk Hydro the revenues above Germany entered. The American imports were also approved because the syndicate believed they could come to terms with it because, as part of the agreement with the American producers, they gave the syndicate sales opportunities in other markets. The nitrogen syndicate's objections to the deliveries from Chile were raised based on the contract with the Comptoir left unnoticed in the first few years. In fact, it was the contract in The years since 1932/33 have not been fully fulfilled, but have remained in force and also for mell from the French people always as existing accepted been. In the years of From 1936/37 onwards, the French showed more inclination again in the course of economic rapprochement, due to this contract to purchase larger quantities from Germany. The Comptoir Fran ais now recognized the demands again of Nitrogen Syndicate in the view on one any Import vcin Chile saltpeter at. Deliveries from Chile saltpeter required of this Time at respectively only in agreement with the Nitrogen Syndicate. As a result of the decline in own production by the Labor conditions (strikes, shortening of working hours, etc.) have also led to a renewed need for imports of ammonia sulphate in France in recent years, which was met as part of deliveries by the CIA partners.

This Overview shows that the German nitrogen industry as a result the weapons standstill conditions and of Treaty of Versailles one in German interests targeted influence on the Development the Industrialization in France in the nitrogen sector was made impossible. The German industry has itself with it have to come to terms with that theirs in years The procedures developed in research had to be submitted or by French chemists and technicians, the during the Cast in the works the BASF all operational and technical spied on details, were evaluated and exploited. Even the on private sector Foundation completed Delivery contracts became, How the processes since 1932 prove, only so long and in dem 'Circumferences from dem French state respected, as it him he liked and fit into his other dispositions.

Finally asked after 1930 the German nitrogen industry In their antitrust policy they also take into account the French industry that has now been built up in the must include the European Nitrogen Convention (CIA). Although the French group later no longer asked for the so-called CIA contracts to be signed, it was therefore not formally a partner in the convention; But at least she asked for her turn Obligations from the contracts held and in part also to the loads participated. Still she took one a certain special position that must be denied to it in the future.

II. Suggestions more fundamental type, the itself in the German-French relationship regarding production and Paragraph result

The above overview of the development and status of the individual sectors of French chemistry clearly show that the main obstacle to German interests on the French market lay in the area of trade policy. If therefore one the Meaning the German Chemistry corresponding participation in the French market - the remaining colonies, protectorates and eventual mandated areas locked in - should be built and maintained, so **becomes** this Goal only through one basic Change the to form and means the French trade policy in favor of the German import can be guaranteed. In this sense it is proposed:

- I. 1. Expansion of a French preferential tariff system in favor of Germany, whereby the absolute level of the preferential tariff excludes any prohibitive effect to the detriment of Germany must. The extent of the preference to third parties countries should position wise be determined and bound.
 - 2. Backup sufficient quotas, taking into account the necessary balancing of the French balance of payments, in particular payments third countries to relocate to Germany are. This In order to storage has particular also under the Security aspect one sufficient paragraph for full-fledged substitute materials to take place (e.g synth. tannins, paint raw materials, synth. fibers, plastics).
 - 3. It is also necessary to take German interests into account in relation to expected foreign exchange and monetary policy measures by France.
 - 4. Elimination of all discrimination in the area the certificates of origin, the declaration requirement and the registration requirement.

II. Questions of Right of establishment

- 1. Imperial Germans should the Unrestricted residence permit be granted.
- 2. The work permit for Reich Germans should be decided on the German side business needs .
- 3. Free settlement rights should be taken into account which also applies to French commercial ventures applicable commercial police and similar regulations be granted.

III. Tax policy Measures

The Construction of Business premises German companies in the sense of the terminology of the double taxation agreements concluded by the German Reich (e.g. branches, production facilities, defeats, representatives) and the establishment of subsidiaries of German companies must not be made more difficult by tax measures. Below is understood:

A Business premises:

- a) The Taxation must focus on the assets dedicated to these establishments, including real estate, the income generated by them and the through they achieved Sales volume restrict.
- b) The business premises are allowed in of their taxation regarding Type of tax, tax rate and tax situation are not placed worse than other commercial enterprises in the country in question.
- c) The determination of the income may not be based on the balance sheet documents of the German home company, but only on the basis of a percentage of the of the business premises sales take place. This percentage must be agreed separately between the taxpayer and the tax authority for each type of product. In case of dispute one decides mixed state Commission of both countries in question. If the business establishment's income is generated through the sale of products that are manufactured in Germany, only the dealer's profit, not the manufacturing profit, is to be taken into account when determining this percentage.
- B. For the taxation of subsidiaries of German companies, the above provisions can be found under Aa) and b) corresponding application. For the taxation of the income of these subsidiaries In principle, their properly kept books are decisive. Indicates the foreign one Tax authority according to that resulting hereby Yield in revealem is disproportionate to the yield otherwise at shops of the same or similar nature is achieved Income is to be determined based on a percentage of the sales generated by the subsidiary. The regulations can be found under Ac) appropriate application.
- IV. elimination of regulations, no matter whether them from sides an authority or from associations Etc. enacted are, the the use discriminate against German products compared to French or third country products.

111. Wishes more special Art for particular Production areas

1. Dyes

In order to achieve the desired reorganization and to partially compensate for the damage suffered in and by France, it appears to be the most appropriate solution that the participation of the German dye industry in the French dye industry ensures a uniform orientation of French production and its production for all future years Paragraph of the form ensures that German export interests can no longer be impaired. Concrete suggestions could be made for this purpose we us, for example imagine like this, that the IG permitted will, 50%

of the capital of the French To acquire the dye industry from the empire. For the purpose of execution one such transaction would it necessary be, that the establishment Kuhlmann, which built large facilities next to their dye factories that of organic and nitrogen area operate, the Color part outsource again and in this those who depend on her Companies:

Company Fram;:aise of ProductsChimiqueset MatieresColorantesde St. Clair du Rhöne, Paris

Mabboux & Camell, Lyons

Society of the matter Colorantes de Croix-Wasquehal (Burel), Roubaix Prolor. St. Die

as well as further

Establishments Steiner, Vernon

to record. (The Societe des Produits Chimiques et Matieres Colorantes de Mul house, Paris, and the Societe Anonyme pour !'Industrie -Chimique, Mulhouse Dornach, have been omitted here in the assumption that these companies with Alsace and Lorraine in the imperial territory fall back.)

The thus new to building Comp. National would have with the Soc. At. des Matieres Colorantes & Products Chimiques of St. Denis either to merge or to enter into a close community of interests. In deni. In one case or another, the board of directors of one or both companies would be - mixed German/French to be raised in such a way that equal amounts come from both sides Representatives can be delegated to it.

Furthermore, within the framework of the economic provisions of the peace treaty, the following would be: Regulations to be made:

- a) The German-French Dye company or companies are granted the sole authority to create new ones Facilities for Generation of to establish dyes (including lacquer dyes) and their intermediate products in France, to incorporate new products into existing plants or to expand the latter; otherwise has the French one government to issue a ban on dyes and their intermediate products.
- b) The production of the German-French company is basically only for the French Domestic and Colonial Market certainly.
- c) When importing into France, its colonies and protectorates, Germany receives preferential treatment, with those products coming from the German-French Company cannot be produced, basically only from Germany should be purchased at affordable tariffs. The last one collected Minimum tariffs for dyes appear appropriate, as long as that Course of the ffrc. RM 0.06 not exceeds.

For the Societe des Produits Chimiques et Matieres Colorantes de Mulhouse, Paris, and the Societe Anonyme pour !'Industrie Chimique, Mulhouse-Dornach, we wrote in a letter dated **July 13, 1940** to the Reich Ministry of Economics made a trustee available to it. About the final fate of the both establishments can only later time found become. Since there is no longer any economic basis for the first-mentioned company after the war, the advisability of continuing to operate the company will be questionable.

Dyeing auxiliary products and Textile aids

\Vir hit the Recording following Regulations before:

- a) Removal of prohibitive and excessive tariffs and introduction of preferential tariffs for the German import.
- b) Handling one French quota and licensing system in favor of Germany with the aim of that French import requirements basically only come from Germany is covered.

2. Chemicals

Our individual Wishes for the Chemicals area have we because of The large number of products to be taken into account are summarized in a table. In general we can predict the following:

The introduction of *voyage tariffs* in favor of Germany is not only intended to attempt to make amends for the damage to the German chemical industry caused by the Versailles Treaty and the trade policy based on it, but rather it is primarily necessary against those non-European countries that have suffered through currency devaluation and other measures could disrupt the market organization to be agreed with France. In consequence, value must be placed on it, that the against third Countries used normal customs duties only with German agreement can be reduced.

VOY train quotas in the import become itself in the general already out of the Syn dicta agreements (see below). A reason that cannot be discussed in the negotiations the Preparatory products for the defense industry important products preferential quotas to demand, is the, that by The insight that our sales organizations gain in this way into the relevant internal market creates the opportunity to detect disguised upgrades .

One Approval requirement for Establishments newer and Expansion of existing systems is essential at military economics important products. We take

.in that at the approval requirement for these products will be supplemented by production control.

Even for products that are not important for the military economy, it is necessary to avoid misdirection of workers, raw materials and Capital to avoid such an approval requirement necessary wherever an overcapacity in European area exists or is threatened. In these cases, the approval requirement could be lifted once a certain average level of employment has been reached.

Technical progress should also be supported by rigid handling of approval rights cannot be prevented. We think to ourselves this prevention in such a way that if there is significant technical progress, a permit should generally not be refused if the production of the new system

- a) to satisfaction of one additional paragraph serves,
- b) by simultaneously shutting down or throttling existing plants can be,

So in both cases not directly or indirectly the German manufacturers and any agreements with disrupts producers in third countries.

The to Backup one planned Cooperation between German and French industry, which is essential for the economy, is best carried out - usually with a connection at existing Conventions - through Education *longer term between state syndicates*, to which a corresponding association of the French Industry would have to move forward. In the In contrast to the previous forms of German-French chemical agreements, these syndicates must be under uniform, strict leadership, which, in keeping with the greater importance of the German chemical industry, is in German hands and in Germany asked for her seat.

The Exports of French chemicals would therefore only go through these syndicates, unless in the product in question is permitted to be exported to certain areas or to an otherwise strictly limited scope of French industry.

So far the French Industry on your domestic market limited is, The syndicate can demand that it participates in the shortfall in export profits .

Product	A Wishes for Vorzup- from Greater German• country to Fnnkrelch	B Wishes for the of France versus Obu third relief firmly • set Customs duties	C German control gents and import IlzenzwUneche against- Uher France	D Wishes that French market and the French export concern	!Ur reconstruction ; u. extension from r	. Y 1
Caustic potash	Previous duty of • fn per 100 kg gross to disparage on approx. RM2, 76 per 100 kg net for 90% iges Atzkall/RM 1.60 f0r 60%-lge Potassium lye.	import duty (Ur Germany and France Caustic potash RM 0,- per 100 kg net	Germany ver• pull tel on import	France waived on Export, works only for his Domestic market	Yes, Loosen up ent speaking the increase of French size domestic needs in consensus with German Place	jl rj
•) Potash	duty free f0r A• fahrkootlengent Thann flr France, otherwise S, Examiner duty for Germany RM 2,- Per 100 kg net	like pending RM 7,- pro 100 kg net	customs fee Import contingent from Thann Im dimensions aelnes previous ones share on the Coverage of the fran- pay It requires. POr all German Her- 1 plate import law, otherwise only flr Special- ,places that the French ll!alecbe industry not c a n deliver, etc. Ouch- hllfilldelivery	sieves C France forgiven tel on Export. Syndicate in Cooperation with deutachen Place (to Tent Elpro)	like protruding in protruding in protrudi) ;: ., i' 3
•) Chlorinated lime/ Chlor flU.slg	test results 6% wm Wert	retention d• bis- hutgen Zölle g91en- Ubar Dritten	Elnfuhrkontlncentarecbt f0r Thann Im Rahmen eelnes froheren Anteils am frau. Markt	France creates nur fllr den franz. Inlandsmarkt. Markt- reselung durch Syndikat	construction from New- anlasen nur Im Ein- ventlndnis mit den zuständigen deutschen Stellen	

^{•)} Dleee ADgabeu leltea Qter dem reservation the Additional muq the 0brlgea cteutloben S)'Ddlltatamltalleder. Products, for the this Restriction applies, are with a •) lekenuelolmet.

Product	A Wish.ache for Advantage ** duties famil narhn#dank?bich	b WQnsche filr the from France opposite dritten Lindern fest- gesetzten Zölle	C German quota and Elnfuhrllzenzwßn sche gegenßber Frank- reich	D Wünacbe, the the French market and die französische Ausfuhr betreffen	E Wish ■ cbe for one Approval ■ pßlcbt flr Neuerrichtung und Erweiterung von Anlagen	-
") Schwefelsäure Oleum	Prilferenzzoll 6% vom Wert			Au∎fuhrverbot für Frankreich		_
Salmlakhaltige Chlorzinkprod. Chlorzink	Präferenzzoll 6% vom Wert	Schutzzoll 15% vom Wert	Einfuhrrecht für DeutAchl nd 20% v. franz. Markt	 Allafuhrverbot für Frankreich BetelUgung an der Aumfuhr Im Syndikat böchatena In der Höhe dea eflektiven Vorkriegsabtatzes 		
") Scbwelelnatrium krist.	Prlferenzzoll 6% vom:Wert	Schutzzoll 26% vom Wert	wie vontehend	wie vontehend unter2)		
konz. Salzsäure	Zollfreie Einfuhrkontingent für lothringi che und elsässische Erzeuger entspre; hend Ihres bisheri-		siehe unter A	keine Ausfuhr nach Deutschland		=
Natrlumsul6t Natrlumblsul6t	gen Absatzes Prlferenzzoll 6% vom Wert	Schutzzoll 26% vom Wert	Einfuhrrecht filr Deutachland 20% vom franlÖII• •eben Markt	Beteiligung an der Auafuhr Im Syndikat böchatena entaprechend dea effektiven Vorkriegs- absatzes.		=G 1 p a:
Chlorbarl um •) .Antichlor						g
1) Barium carbonate	Check reference duty 6% from the Value	protective tariff 26% of Value	Import law filr Germany	Export ban		

Fluorine-containing Products and Flußsäure			!) 80% v. French market 2) 26% v. French market		2) Construction proposa	0
Potassium chlorate	preferential tariff 5% from	protective tariffs 26% from	Uefenecht according to	syndlkat formation under	conditions of generosity	= 0
Sodium chlorate perchlorate Phosphorus	value	value	France (In the height dependent, what factories at Italy fall)	of German guide b I limitation the French on the average	(webreconomics important one products)	t" .N tj
Potassium permanganate	test reference duty 6% from Value	protective tariffs 26% from value S»	Ueferrecht for German country 10% of A111 mark	J ahreaexport In 1924-1929 <j< b="">) syndlkat formation at tet ban</j<>		from
				France		$e^{-1}r$
Perchloron	Pilference toll 6 % from Value	protective tariffs 26% from Value	import law for Germany	how pending		:ä,
Bichromate	test results 6 % from extension and	protective tariffs 26% from the	•	law of elves to	France work just	'rj
	Value	Value F	France 1n still too more agreeable Height, minde1tena .0%	for the domestic Market	education agenda. To check, which investments In France to Tent still pass and how far this sufficient	; "1 . Q it., 'Ö p;;', it.; ; ; ;
Chrome alum	preferential duty 6% from the	e expansion ban Value	protective tariff 26% from Value	the import law only for Germany	the existing	: : , 11Q:
Chromosal	test duty 6% from the Value	protective tariff 26% from the Value		Elnhelmiache Factories covering 60% of the market. No export	None extension	
Synthetic Tannins	eliminated the Tariffs	Protective tariffs 60% from t Value	the	syndicate becomes necessar ent when expanding the newer Hentellerkrelse1. Belmlachungforced for Aynth. tannins	y approval requirement for Construction Investments	
*) Not oxalic acid	more than RM6.60 kg (approx. How before the wars through Price fall)	Import duty RM16.60 pro kg (approx. How at Eleven leadership of Custom about through War	German transport contingent after France	France generated only for the French ¹ / ₁ from the French	Approval Kspllicbt Per for Restoration market. export after	
		-	Use	the French one because of Colonies only co upper capacity, according to in plant		Q

Product	A Wishes for Preferential customs duties from Großdeutach• country to France	b wishes for the of France opposite third relief fixed duties	C German quota and ElnfuhrHzenz wishes towards France	D wishes, the the French market and the Iranölsche relate to exports	E Wishes after one Gene approval pßlebt for New construction and Erwel teration of Investments
•) Oxalic acid				1987-1939. Additional paragraph must 10 long the German export Reserved remain, until 6000 Jato In total export reached are. sale after areas of the extra-European population France through point of sale for Oxalalure and Amelsenslure	extension (German export mIndest ns 6000 Jato)
o) formic acid	How in front,;standing	RM 16,- Per kg - otherwis as if standing e	as above - from 1/8 the French consumption	as usual, however must be German export 8th 000 Jalo to reach	How from living, however 8000 jato
Organic Intermediates	Preferential duty 6-10% from the Value	protective tariff 60% from the Value	Uzenzaystem must so be guided that practically only German Intermediates after France introduced can be	Export ban	In Addition the elaboration the Color division is for following army battles Products manufacturing decommissioning desired: Pentaerythrite Dlnltrodlpenylamine Chloracetophenone Guanldlnnltrat Plkrln1 lure Stabilizers Special products
vulcanization accelerator	reduction after standing Customs positions	import from 1000/o on the Sales value the	Import Law for Germany	French generation may just for that	Plant construction only in the agreement with

Solhrol

Mlkrobln Preventol Builit Benzoesäure Benzoeaaures Natron

Elseooxydfarben

eo weit, daß die deutsche Einfuhr nicht verhindert wird: PO&iiM< 0336 quour: Vulkaclt D/Vulkaclt	einzelnen Produkte		französlachen Markt arbeiten, Ausfuhrverbot. Regelung der Weiter- entwicklung durch Syndlkatavertrag	den dafür zu schaffenden deutschen Stellen	t:::l
1000 /rs. <i>346 pro</i> Ar - RM 21,72 Vulkaclt M,					_t'l _ö
DM, F, U, und AZ					=0 r"i /" tj .
Jrs. 386 pro Ar -					ř"
RM 28,68 Vulkaclt P,P					<i>!"</i>
extra N und 774					tj .
fn. 10/J0 pro /lr - RM 66,20 Vulkaclt					,
Thiuran/Vulkacit J					• ••
frs. 1660 pro Ar -					
RM 101,48 Vulkaclt CA					· (;")
CT, PP, TR, 676 und					, Τ'i
676 extra					III, 1
Bl,30% om W,rl					-
Pos;liots 0381:					ĥе
Alterungsschutzmittel					7'
RR 10, NB, Aldol, DNP,					
i010 116% oo''' Wm					>rj ;:- p
Herabsetzung auf 6% vom Wert			Ausfuhrverbot Illr		, .
gegenObes bisher 26%			Frankreich		р ::,
gegenQber bisher 26%			THIRTCH		'd
gegenüber bisher 20%					
gegenQbes bisher 20%					_f
gegenOber bisher 26%	b0%	Elnfuhrreoht fQr	Keine Aualuhr	Genehr.nlgungspl\lcht fOr	= _{r:,}
gegenQher bisher 26%		Deutechland In Höhe		Errichtung und	OQ:
		von 80% d111		Erweiterung	
		franzlllltchen Bedarfes			
gegenüber hlaher 20%	60%	Deutache Beteiligung	ZweckmlBlg wlre In		
		am franzöallchen Inlandlbedarf 80%,	französl1chem Inteseue die Bildung einer		
		mlndeetens Jedoch tOOOt	Verelnlguns der Ocker•		
		mindectens sedden tooot	henteller. Ockerausfuhr		
			Frankreich 60% der		
			Auafuhr von 1988.		
			Au∎fuhrverbot nach		

Deut∎ohland

Produkt	A Wünsche für Vorzugs- 2illle von Großdeutsch- land nach Frankreich	B Wümcbe fQr dle von Frankreich gegenQber dritten Ländern festgesetzten Zölle	C Deutsche Kontingents- und Einführlizenz- wünsche gegenüber Frankreich	D Wünsche, die den französischen Markt und die französische Ausfuhr betrelfen	E Wünsche nach einer Genebml1ungspflicbt fQr Neuerrichtung und Erweiterung von Anlagen
Kauritleim einschl. Hlrter Mambranlt Cohesan Cosayult	gegenllber bisher 50% gegeDOber bisher 16% 1ecenüber bisher 20% gecenüber bisher 27%	60%	Deutacbe Beteiligung 1/1 am gesamten Absatz	Ausfuhrverbot für Frankreich	
Titanweiß	Prlferenzzoll 11% vom Wert	Schutzzoll 26% vom Wert	Die deutache Elnfuhr nach Frankreich muß erhalten bleiben	Siebe E	l!.rrlr.btungsverbot, da der Markt durch die deutsebe Produktlon gesättigt werden kann
Butylprodukte	10% vom Wert	60% vom WMt	46% des französischen Marktes für die deutschen Ueferanten außer dem bisherigen Ueferantell der Fabrik Alsaclenne de Levure et Alcools, Straßburg	Frankreich war bisher kaum im Ezport tltlg. In Zukunft Auafubr- tätigkelt nach Zu- stimmung des deutschen Syndikates	Genebmlgungspßlebt für Errichtung und Erweiterung vnn Anlagen
Glykol } Glysantln	Prlferenzzoll 6% vom Wert	Scbutz,oll 26% vnm Wert	Unbeschränktes Einfuhrrecht fUr Deutschland auf dem französischen Markt	Einbeziehung In ein zu bildendes deutsch• europllsches Kartell mit Sitz In Deutschland. Ausfuhrverbot für Frankreich	Frankreich soll auf Herstellung von Glykl>l beschrankt werden. Genehmlgungspflicht !Ur Errichtung und Erweiterung von Anlagen, da wehrwirt achaftlich wichtiges Produkt
Athylenchlorid} Athylenozyd	Prlferenzzoll 6% vom Wert	Schutzzoll 26% vom Wert	wie vontehend	wie vontehend	Genehmlgungspfllcht fQr Errichtung und Erweiterung
Thermoplastische Kunststolfe und neue Kondensatlonsprodukte	Präferenzzoll 6% vom Wert	Schutzzoll 30-60% vom Wert	Unbescbrinktea Einfuhrrecht fQr Deutschland	Beschränkung auf den elnbelml1cben Markt	Genebmlgungspßlebt fQr Errichtung und Erweiterung von Anlagen fQr sämtliche Kunststoffe

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Tungsten metal Molybdenum metal vanadium metal

magnesium In Everyone	Examination duty 6% from	protective tariffs by	Franluelch is working only	export ban of	authorization
Form	requirement value	at least 21>%	for French Market.	magnesium In Each	for New installation and
Magnesium regulations			made whether the French Magnesium plants in Savoy at Italy slur	form blah about the Semi-finished product incl	extension also for uding
BeryWumchlorld }	Examiner duty 6% from the	protective tariff from	or not how pending	export ban	· · · · · · · · · · · · · · · · · · ·
BeryWum alloys	Value	at least 26%			Yes
Cerium ore metal	inspection duty li% from	protective tariffs li0% from	German Import Law	Syndicate with Quantity-	French companies, the 'rj
Cermlachung	value	value	after France about 26% dea French needs. We are berelet, S hentellen. half of the e!ekt prohibition of exercise, there enlenten. import the French people as export to admit		so far only Mischmetal manufactured have, may cerium ignition nlebt articles German one production the World market at any time full satisfying can. Sebr devlaenIntensIves O p;
Ferrotungsten } Ferromolybdln for Ferrovanadlum Market.	preferential tariff 2%	protective duty 20%	exposure only for fran&öllchen Requirement. Uef.rights only for Germany after blocking Franluelch In still cluentilating Scope, depending on how big part of the	none Aulfubr. Rohstolf- el purchase syndicate French languages compulsory cartel losed	Product P- rrlehrungaban C- E- I
	and whose acids				

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Advance customs 2%

protective duty 20%

like There is a current

ban on driving

product	A Wow for Preferential duties from Cross German- country after France	b Wow filr the from France against Oher drl tten Alleviate fixed duties	C German Quota&• and import llzea&• wish opposite France	D wouch, the the fran&allschea market and the fran&llllsche export regarding	E WOntcbe after a Cenehmlgunpplllcht for New construction and extension from Investments
Nickel metal	preferential tariff 2%	protective tariff 16%	Participation law for Germany at the French, German import In still to be determined Hoebe (deriv from Kllrunc the Raw material• ask)		Cenehmlgungsplllcbt
J!del1telne	Precautionary duty 2%	protective tariff 20%, Possibly. Exception rule for Switzerland	Ueferrect for Germany	Hentellung only for own Requirement. Au.drove through Coercive cartel under deutacher Line	J!notunpban
Water festival tea / sandpaper Dry sandpaper	advance customs duty 6% preferential tariff 2%	Scbut Customs 26 %	Import Law for Germany up to 26% of the needs	generation only for the elcenen Requirement . No A111 drove. Recommendation: syndicate for the interior market	

3. Pharmaceutical products, dental products, pesticides and vet. med. Products "BAYER". Sera and Vaccines FIXING WORKS

Due to the significant damage to the pharmaceutical described under 1/3 business the IG as well as further due to the fact that the The German pharmaceutical industry and especially "BAYER" gained its scientific and economic qualifications through post-war developments have, we consider the realization of the following requirements not only justified, but also necessary in order to achieve a planned reconstruction in Europe.

- A. It would be necessary to demand the return of all confiscated items trademark on pharmaceutical Area. All Trademark, the in the World War confiscated and after dem wars due to lack Possibility handled as a dial tone for procedural security and were therefore lost to us, must be returned to their owners and registered as trademarks with retroactive effect and secured.
- B. The French market must the Companies of German pharmaceutical Industry should be opened up to free competition. This is the case in individual important pharmaceutical products free competition through Convention agreements to steer. The Realization this desire appears through the under
 - II. expressed wishes as sufficiently secured. From the side the In the pharmaceutical industry, the following should be noted in detail:

to I 1)

The maximum possible tariff burden for pharmaceutical specialties is a maximum burden of 10 to 15% of the exemption limit value.

toIIIAc)

Both investigation of yield from the Sales volume appears us for the pharmaceutical _ Business a Percentage of 5% from the Sales volume for appropriate.

- C. Besides are different in France existing Administrative regulations for the pharmaceutical business in with regard to their to eliminate the inhibitory effect or to change:
 - a) The equality the Germans with the domestic pharmaceutical products at Tenders and other Contract awards the French authorities and public facilities is ensure.
 - b) The regulations adopted to protect the domestic serum industry must be dropped so that the unhindered import of German serum and vaccines is guaranteed.
 - c) It must It must be prevented that the existing chauvinistic attitude, especially among doctors and pharmacists in France, is promoted by official bodies to the detriment of the German pharmaceutical industry by recommending, promoting or even prescribing the use of local remedies. Care must be taken to ensure that such practices do not occur either be introduced through administrative protectionist means. Conditions such as those in the association the French Veterinarians consist, must be eliminated, to-
- 21 J abrbuch for Economic history Illij66

at least have to the German companies as equal Suppliers are allowed.

- d) On the Area the Plant pest control must the The provision prohibiting the use of mercury seed dressings that no longer takes current scientific standards into account, in particular in the interest of French agriculture the modern pest control and seed dressing can be widely used.
- D. In the interest of the need stated in the general section to organically and purposefully align the entire pharmaceutical industry in the European metropolitan area with the tasks of the future under the leadership of the German pharmaceutical industry, it is necessary to give the French pharmaceutical industry its due to assign space.

Primarily should the French pharmaceutical Industry is paying attention to the Target domestic market. The export should only agreed at the same price and market regulating agreements with German companies in the pharmaceutical industry. This is particularly true for the most important pharmaceutical chemicals, where they represent part of the overall agreement for the entire world. It remains reserved in this context to be presented Suggestions the German one pharmaceutical industry must be presented separately.

To secure one such a merger On the export markets, either the form of financial participation or affiliation with German export organizations abroad should take the form into the be noticed.

This planned collaboration also makes it necessary to identify and examine the international links of the French pharmaceutical industry in order to address them if necessary to adapt to the new conditions and in this way to prevent German ideas from reaching non-continental companies.

In particular becomes on the Danger pointed out, the in this consists, that to time in France act Chemist in Future in third Countries emigrate and there taking advantage of the information given to them French and possibly German manufacturing processes gave rise to local national industries, which in turn expanded have a negative impact on German exports.

In the course of of the agreements must also set will be that between us and the French Companies

Societe Parisienne d'Expansion Chimique (Specia}, Paris, Les laboratories Fran ais de Chimio therapy (Chimio), Paris, Society of Usines Chimiques Rhöne-Poulenc,

Licensing agreements concluded for important pharmaceutical specialties under the pressure of the political and economic conditions at the time ceased to be in force. To the extent that the French companies actually provide services for the individual products, new license agreements could be drawn up one healthy Base completed become, the the French partners grant the benefits that accrue to them as a result of their actual ...\npart in the discovery of the preparation.

Regarding the serum business should economic agreements on the sales of the French sera and vaccines, in particular of the Pasteur Institute similar to the pharmaceutical industry in such a way that The French domestic market is opened to free competition, while for exports the French serum manufacturer, similar to proposed for the pharmaceutical field should be held in consultation with the German industry about price issues and market regulations to agree. This is intended to take into account the fact that the discovery of antitoxic Blood immunity and the on it based justification of serum therapy is a German creation. A special regulation is also required for the dental business in France, which is characterized by particularly complicated international relationships. The The French market is largely supplied with dental products by the company de Trey (USA, England, Switzerland), who through financial participation at the most important French dental depots Market position strongly secured has. In the interest of the The aim of the German dental products industry is to ensure that German dental products also have a presence on the French market come, whereby this Possibly, through Appropriate agreements should be reached with the leading company de Trey. What would be required here is that the so far mainly from England and USA purchases made in the future Germany be relocated.

On the Carpule area should the company Rhöne-Poulenc are stopped, with us to one agreement to come, there her Scurocaine cylinder ampoule is an imitation of our legally protected Carpule.

Such a new regulation of relations would ultimately have to be supplemented on the French side by a ban on the establishment of companies in the pharmaceutical industry; In addition, there would be a number of small and micro laboratories, which mostly only have local significance.

4. Photographika

For the future design and the reorganization of the export of German photographic products after France were it he wishes, if the further one Expansion of the French photographic industry, as far as it extends to products that through German capacities could be covered would be prevented.

Around the more Existence of the French photographic Industry to ensure becomes a Customs protection from 5 % for the photographic Products, including raw cinema film, the French industry as considered sufficient. Here at should this customs Germany as Preferential tariff may be granted while

for the photographic Industry of remaining abroad (so the American and English photo products) one inch of 25³/₄ for import into France should be provided. Maintain quotas we under unnecessary under these circumstances. They should therefore be repealed.

Around Being able to also take part in supplying the French colonies would be equality in the customs treatment of German photographic products with French ones products expedient.

21•

The French photography industry should focus its sales on France and the French Restrict colonies. Exports to third countries should only be carried out after coordination with the needs of German exports become.

5. Fragrances

For the future layout the Ausiuhr synthetic fragrances to France, it will be necessary to remove the existing import barriers to eliminate, in particular the Customs from 20 plus 5% to 10% inclusive to reduce all additional expenses. It should be taken into account here that the duty applies not only to synthetic fragrances, but also to fragrance compositions finds; where under compositions mixtures of oils, resins and synthetic fragrances are to be understood.

6. Artificial spinning fibers

The wishes for the future design of the structure and development of the German export after become France with regard to the *Cellular wool* (Vistra, Cuprama, Lanusa, Aceta fiber) was submitted to the Reich Ministry of Economics by the Chemical Production of Fibers specialist group and the Chemistry Economic Group for the entire German cellulosic industry.

With regard to artificial silk, it would be desirable if, in order to avoid further damage caused to the German artificial silk industry by the sales policy of the French competition on the various foreign markets, a regulation similar guidelines are made, such as this for the German manufacturers within the Association of German Artificial Silk Producers consists. In the individual become the Wishes for the entire German Artificial silk industry clarified by the association of German artificial silk producers via the chemistry economic group.

7. Nitrogen and Nitrogen products

On the *Nitrogen area* Suggestions for the future layout the to give relations between Germany and France, is on the way this Elaboration is not possible without significant restrictions. On the one hand, that is French production, as was the case under the European Nitrogen Convention (CIA) before current wars, especially not in the future of the entire European nitrogen production and therefore considered separately. The layout the German-French Relationships on the Nitrogen area must rather be fitted into the construction that will take place in the greater German economic area after this war is finally over. On the other hand, determining this construction is not the task of the IG alone, but of the nitrogen syndicate, in which the interests of all German nitrogen producers are represented be granted. Accordingly, should into the separate Proposals for the future shaping of the relationships between the European nitrogen industries will be left to the Nitrogen Syndicate. At this Therefore, only a rough outline is available Outlined the significant problems indicated.

In order to organize the nitrogen economy within the European economic area and determine its relationship to the rest of the world, three main problems must be solved on the one hand and reconciled on the other:

- 1. The Development of agriculture in Europe Space and its relationships to the agricultural markets of the world;
- The Order the European Nitrogen markets taken into account one on trade policy offered Chilean saltpeter import as well as the Regulation of nitrogen exports out of dem European economic area on the Nitrogen markets in the world and
- 3. the control of nitrogen industrialization within the borders of the Greater German economic area and the influence on the development of the rest of the world's nitrogen capacities.

These problems are closely intertwined in many ways that she in the course of one Reorganization of the nitrogen economy all in of their Interaction with each other must be taken into account.

From these major points of view, the nitrogen situation in France is clear, taking into account the fact that France's nitrogen production was not sufficient to meet its own needs until the outbreak of the war this country to cover, and remarkable amounts introduced become had to be used (sulphate of ammonia, sodium nitrate etc. for fertilizing purposes as well as ammonia and urea for technical purposes), the following necessity:

French industry should not participate in exports in the future.

This requirement is initially based on the previous situation described above; It is then pointed out that the total consumption France's supply of nitrogen fertilizers in 1938/39 was around 180,000 t N was. If you compare these digit with one Consumption during the same time in Germany (including Ostmark) from 745000 t N, so results itself, that a sharp expansion of the consumption of nitrogen-containing fertilizers in the country itself possible is. The nitrogen expenditure fraud in France in the Medium around 5 kg Pure nitrogen for Ha agricultural usable area opposite for example 32.6 kg in Belgium and 21.4 kg in Germany.

Then you have to It should be noted that France is the has adopted the IG's procedures developed over years of research and expanded his own synthetic methods through industrial espionage during the occupation of Oppau Significantly accelerate the nitrogen industry could.

In December 1931 the Nitrogen Syndicate with dem Counter Fran ais de l'Azote, Paris, a contract closed to the Nitrogen Syndicate the grants preference for covering France's additional needs for sodium saltpeter. This Contract became through an exchange of notes on both sides Governments confirmed. Every year there was an agreement about that from Germany to delivering Amounts, where Delivery requests from others producers (Norway, Chile, UNITED STATES) in the Frame the Antitrust agreements respectively were taken into account. The contract has not been terminated.

For the future it is desirable that Germany - in a similar way as for others Markets suggested - a *PYafeYenz* for the entire subsidy requirement Nitrogen everyone Art receives. With this measure should in particular the north-

American imports and Chilean saltpeter imports excluded or controlled. The chile saltpeter can be replaced with other synthetic nitrogen products, How this also in Germany has happened.

For the Assurance of German exports are to France as well as for the German Goods as also for strangers Goods - provided she through Mediation from Germany exported becomes - the following existing Export restrictions to France to clarify or eliminate:

License system

Chaisse de Perequation

Submission of 4-5 Pfg. kg N (in favor of the French nitrogen industry and agriculture)

More prohibitive Customs on technical Nitrogen products.

Accordingly the political development becomes probably with a check the Defense industry in the countries that itself with Germany in the state of war were located or. still condition, to calculate be. It were on it to draw attention to the fact that for military reasons reasons in the field of technical niches nitrogen one such control expediently already with the raw materials, for example with Nitric acid and ammonium nitrate should begin. This control were u. a. one Task for one after the plans of Nitrogen Syndicate new to be created "Central Office" at nitrogen syndicate, Berlin, which in a convention contains all nitrogen-containing fertilizers - also lime nitrogen, the from dem former cartel not taken into account been was - and

!;nitrogen-containing Products for technical purposes capture would.

Finally it appears In this context, it is important to point out the fact that at *Norsk Hydro Aktiengesellschaft, which is domiciled in Norway,* to which the IG is close maintains technical and commercial relationships, French Capital is interested is. But this possession is very widely distributed and is largely represented in terms of votes by French banks. The individual shareholders are IG and her Swiss Friends, the IG Chemistry in Basel.

8. import

To Ask the import is to mention that the IG from France, or. its colonies and mandate territories, in the last years average Per year for

approx. RM 1100000, -

and that is in particular

Chrome ore,

phosphate,

bauxite,

fragrances,

antimony etc.

introduced has.

The IG is of course in to a high degree to it interested in that the Import of these products also in future remains secured. We take but stood **away** from it, at this Job concrete Suggestions or Applications to formulate, there the imports of these products for the IG, measured against the import needs of the Reich, relative small are and we in the remaining assume, that the through the to-

The regulation of imports from France to be made by the permanent Reich offices will also take into account the wishes of the IG.

We reserve the right to use the suggestions and suggestions mentioned in this compilation. To supplement proposals if necessary and to address further problems that may arise in the course of the negotiations in more detail.

II. DOCUMENT NI- 6840

File note

Confidential

Reference: Peace planning

Ours Sign:
Berlin NW 7

Under the Linden 82

the 7. Aug. **1940.**

As Result one Consultation between Mr from Schnitzler and Mr Frank Fahle has been commissioned by the undersigned, now in accordance with the wishes of Mr von Schnitzler that so far present Peace planning documents, viz

- 1. the letter
- 2. the general Part
- 3. the France material

at the intended official Place to hand over.

The referral to MD Schlotterer was carried out in a two-hour conversation about the underlying problems and - as far as it was possible due to the extensive material - also about fundamental and important individual questions of the IG material.

MD Schlotterer's basic reaction to this material presented to him by us was, as well as What the methodical Proceed as also the basic opinion and the assessment of the individual questions made by the IG is definitely positive.

With this favorable reaction, the approach planned by the KA is country-wise Depiction the in this recording The chosen order is covered as well as the internal organization of our material, ie the structure of our material, as described in the letter to MD Schlotterer.

It is important to emphasize that MD Not Schlotterer only the but also considered it necessary to formulate our specific wishes in a practical, clear manner the fundamental and wider Presentation of the general part, the historical development and the from us intended wording of the general wishes. Likewise, MD Schlotterer thought it was right to structure the general part as it is structured and agreed with this general part lying Evidence (leadership the German chemistry 1914; subsequent relativization through Versailles; Necessity to restore this leadership as part of the reorganization) fully to.

The Pronunciation above the individual Points was in the essential on the Be Speaking of the color part, which is known to be the most serious wish of the IG contains. MD Schlotterer was of the opinion that the wording we had chosen was by no means an excessive petition, but rather, in his opinion, would probably fit organically into the development of peace planning incorporate. To dem in the Connection herewith discussed

The French wish for an early discussion with the German dyestuffs industry was referred to He pointed out the advisability of dealing with these matters in close consultation with Ges. Hemmen, but before this negotiation with the French with Dr. Thunderstorms must be coordinated in principle so that the... us private sector for expedient held No participation the all common economic aspects contradict the of Dr. Storms are to be expected. Should the coordination with Dr. Storms cause difficulties, so is MD Schlotterer is willing to talk to us again in detail about such divergences.

To the one on this one ways basically approved negotiations with MD Schlotterer emphasized to the French in Wiesbaden the necessity of only starting the negotiations in substance once it was sufficiently clarified in the first negotiation that the The French are not coming to negotiate a favorable acquis by anticipating negotiations, but obviously show that they out of real necessity are, the primacy of the Germans to recognize the dye industry.

As further Example case became the matter Kodak discussed. M.D Schlotterer clearly shares our view that it is necessary To remove Americans from French production by any means available. The determination, with the MD Schlotterer these Thesis advocates, leaves no one Doubt about it, that man in the Selection this Medium by no means choose to be fresh.

The same approval found that Chemicals thesis the Education from long-term syndicates.

MD Schlotterer considered the formal wishes expressed regarding preferential tariffs, quotas, construction bans and approval requirements as possible Means of regulating German-French economic relations designated. He underlined here especially that he I welcome the extent to which the IG is taking part in the consideration such questions the trade policy technology involved.

MD Schlotterer will, after he has had enough leisure to read the document in detail, give us his final opinion as well as some hints give, the possibly at the editing coming Materials are to be recycled.

The from M.D Bergemann stimulated Entertainment with MR In the yard resulted the same basic approval as with MD Schlotterer.

MR Imhof particularly welcomed the Statements by the IG about one special type of European or German preference, which he contributes believes that he can use it to concretize the Europe clause he is planning.

Interesting is in the individual the following:

- 1. That it is indeed of course, out the Germany's power-political superiority can now finally be used to construct an economic-political superiority over France that is clearly controlled by Germany. MR Imhof is not thinking of crippling France, but of one healthy reestablishment of the French economy, which would clearly have to be classified in German interests in any case.
- 2. The ones from the IG planned method was used by him both in terms of participation Duties, the quotas, the construction bans, the Approval requirement etc.

approved. Was interesting included in the individual that he just He considered the IG's 50% participation to be "very honorable"; he also believes that the possibilities for private-sector communication have been exploited to the maximum in this sense become should, but not in one compromise, that too at the expense of Germany .

3. MR Imhof explained deal with the general wishes of the IG regarding establishment law and Tax policy subject to further details Test agreed and kept the from us chosen formulation for though difficult attainable, but basically like that important that he her also in wants to start planning.

About the order the further processing emphasized MR In the yard, that it expediently, accelerated to Holland and Belgium, Denmark to edit.

The conversation with MR Schulze Schlutius, which took place at the request of MD Bergemann, resulted in nothing Restriction the same picture with the same consent. MR Schulze-Schlutius recommended additionally only, the material also the new France consultant, senior government councilor Klesper in the RWM and OFR Jahnke to convey what has now taken place is. Held against it he the supply line to Mr. Sagert• (capital participation department) under all circumstances not now for necessary. We hit before, to this one Point the return from M.D Mountain man wait and see.

The Handover to the business group could not be communicated to Dr. storms occur, which on a longer is on a business trip, rather is after Consultation with Mr. Dietrich at the responsible examination office (Mr. Born) took place. We hold this preliminary connection from Mr. Born, who is actually responsible in every way clerk for the whole complex of questions is, for extraordinary happy because the material handed over represents the legitimate interest of Mr Born in one so high Dimensions satisfied has, that we accept can, in him a reliable Attorney ours method opposite Mr to have won the storm. This circumstance is all the more serious since Mr. Ungewitter's preferred method is not in harmony with our method stands.

The latter Circumstance occurred the Handing over our material to Mr. Born in a certain way extents appear. The The economic group's approach is aimed at after the Statements by Mr. Born on it away:

1. To develop a set of economic policy principles for the design in the European Chemical sector authoritative be should. This The aim of anticipating design principles for chemistry is to a certain extent in the RWM a To obtain a passepartout for the chemical industry so that they can in the framework of the RWM approved principles independently organized what seems appropriate to her.

The basic design principle of the economic group is, as we were able to determine after looking at the already worked out entymrf, clear the Antitrust principle. In such planned cartels voluntary mergers should respectively the entire European Industry be organized to iIJ. This organization produces and sells under German leadership and in accordance with the German one interests too regulate. The External connection this cartels opposite non-European countries should in the form from special syndicates affiliated to the cartels.

·) Must Saager bite - DE

- 2. Mr. Ungewitter intends to propose a formal overall regulation of this kind to MD Schlotterer Suggestion to provide some practical examples e.g. B. Antitrust regulations for tar paints, nitrogen and similar are important falling Standard products, um out of the endorsement of this Mr. Schlotterer then proceeds the Authorization to receive, according to one such model regulation it the leave it to German industry to decide how she her under Cartels that function under state supervision are organized and managed.
- 3. Mr. Born spontaneously explained that this approach was mainly because of the economic group was chosen to an over-bureaucratization in dealing with peace problems. He explained, the Even dissolving the bureaucracy of the Economic group etc. is actually also a Part of the suggestions to be made to MD Schlotterer But he neglected to point out that although the bureaucrats are disappearing in the economic group, they are disappearing re-emerge more vividly in the management, in the control and management of the cartels and syndicates.

In any case, this interesting argument from the economic group, as far as it can be seen so far, does not reveal that Mr. Unge wetter has no inclination exists, too in Future itself lively around the layout the German chemical industry as he sees it. It may be that Mr. Ungewitter's points of view certainly coincide with our needs. There this competition though by no means is guaranteed and can be ensured for the future, it remains necessary to closely follow Unge witter's policy to obtain the above-mentioned passe-partout, for the time being skeptical to judge and Possibly. to attempt, on the layout this formal general regulation that he planned a certain one to gain influence. The latter However, more vigorous attempts should only be made if there is still a problem with MD Schlotterer and M.D Bergemann too leading entertainment shows that such a general regulation in the RWM for kept practical and sensible.

In order to determine the reaction of the economic group, it is important to underline that Mr. Born to us has already asked us about that too General regulation To think about this a good Addition the valuable **work** that is we now presented about France. We have Mr. Born explained in this regard, that weFrance at all as Model not only for the now follow the country representations requested by the RWM, but also as a School example for the entire **Sachlahe** consideration consider the to Question of large space design necessary is. Mr. Born very much welcomed this synthesis of views believes that in this cooperation there is a programmatic nature of the economic group and an empirical nature the IG had the right synthesis for a successful completion of peace planning.

We then discussed the entire program in almost two hours of conversation IG dealt with Mr. Born. In this conversation, Mr. Born asked about both the underlying tendency of our elaboration and the The elaboration of the individual sections of our work as well as the wishes expressed were generally considered to be very good.

Regarding the trend of our proposals, he was only of the opinion that the ones we put forward Petita probably only minimal demands be, the we at one tightening of course opposite France from us out of surely still sharper

could be formulated without jeopardizing private-sector interests on our part. We have this general one Formula agreed.

Mr. Born had no additions to make to the individual requests in our memorandum. If at If there are any comments to be made after a careful reading on his part, he will inform us immediately.

Interesting were on the side still the following Details:

- 1. Europe problem seems extremely difficult to Mr. Born to solve, there completely against the Wish the Economic group the German Kodak apparently intends to do this to become the heir to the European Kodak.
- 2. It was out of the Explanations of Mr. Born clearly agrees realize that Reichswerke Hermann Göring is interested in the Belgian Solvay complex, which is all the more remarkable since the German Solvay company is unlikely to be able to solve this problem due to a lack of capital.
- 3. Mr. Born was of the opinion that the AKU problem/Holland can already be seen as settled.
- 4. Mister Born believes that we also examine should, whether the IG a some kind of interest in which Unilever has.
- 5. Mr. Born further explained that he sees the long term the customs issue is not for particularly considers as a priority or that the economic group to Time is busy working out a new tariff.
- 6. Mr. Born believes he knows that the currently existing customs border between the Reich and the Protectorate 1. October d. J. lifted becomes.

signed: Terhaar